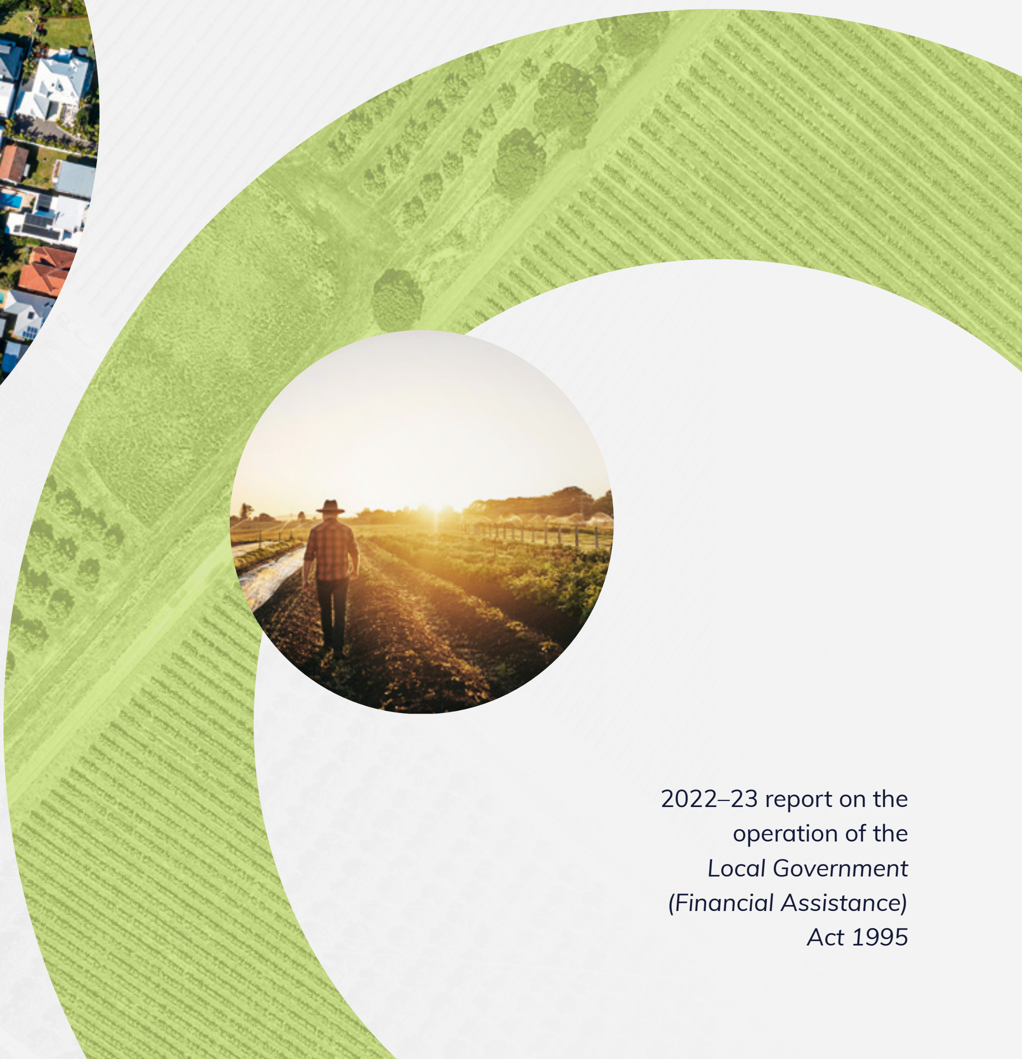
Australian Government

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Local Government National Report

2022–23



2022–23 report on the operation of the *Local Government (Financial Assistance) Act 1995*

Australian Government
Department of Infrastructure, Transport,
Regional Development, Communications, Sport and the Arts

Local Government National Report
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In accordance with the Administrative Arrangements Order of 13 May 2025, all references in this report to the previously named Department of Infrastructure, Transport, Regional Development, Communications, and the Arts should be taken to be the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts.

ISSN: 2982-2661 (Print)

ISSN: 2982-267X (Online)

February 2025 / INFRASTRUCTURE 6706

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Page 32:	Giant boab tree in Kings Park Botanic Garden, Perth, WA. Getty Images. Credit: Ikonya.
Page 40:	Albury Railway Station building. Getty Images. Credit: davidf.
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Page 188:	Dolphin Beach, Dhilba Guuranda-Innes National Park. Getty Images. Credit: Luke Mackenzie.
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Page 238:	Aerials over farm land. Getty Images. Credit Meaghan Skinner.

Foreword

I present to the Australian Parliament the Local Government National Report on the operations of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) for 2022–23.

The Albanese Labor Government recognises the essential role local government plays in delivering services to all Australians, and is delivering record funding to strengthen their capacity.

In 2022-23, the Albanese Government provided $3.9 billion in untied financial assistance through state and territory governments to councils, including a $3.1 billion bring forward to assist councils facing cash flow pressures.

Funding provided under the Financial Assistance Grant program is distributed in accordance with the Act and the National Principles.

The report provides an account of how the states and the Northern Territory allocated the 2022-23 funding between councils through their local government grants commissions. The Australian Capital Territory receives funding through the Financial Assistance Grant program as it maintains both territorial and local government functions.

The report provides an assessment, based on available comparable national data, of the efforts to achieve horizontal equalisation and effect a similar range and quality of services within jurisdictions.

The report also provides information on the efficiency of councils and the services they provide to Aboriginal and Torres Strait Islander communities.

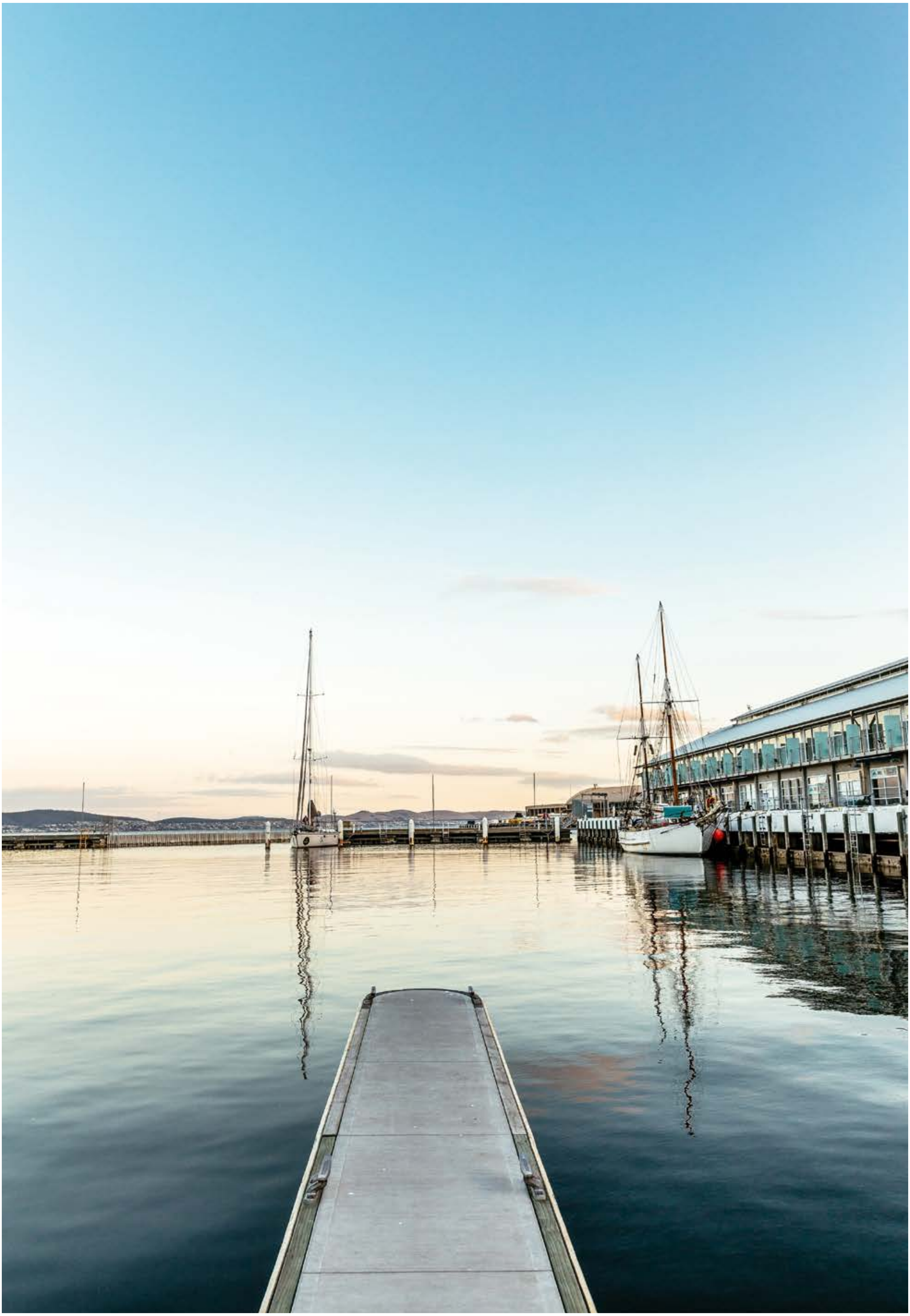
To further support local government alongside the Financial Assistance Grant, the Albanese Labor Government has increased road funding including progressively doubling the Roads to Recovery Program over the next five years, to $1 billion annually.

This funding is untied and will allow local governments to plan for the long-term maintenance and upgrade their road network. The Road Black Spot Program from $110 million to $150 million per year, meaning additional money for improving some of the most dangerous sections of our roads.

These funding increases are a result of the record engagement the Albanese Government has had with local councils, including the re-establishment of the Australian Council of Local Government, and bringing local government back to National Cabinet.

The report has been prepared with the cooperation of all levels of governments and I would like to thank state and territory governments and the local government associations for their contributions.

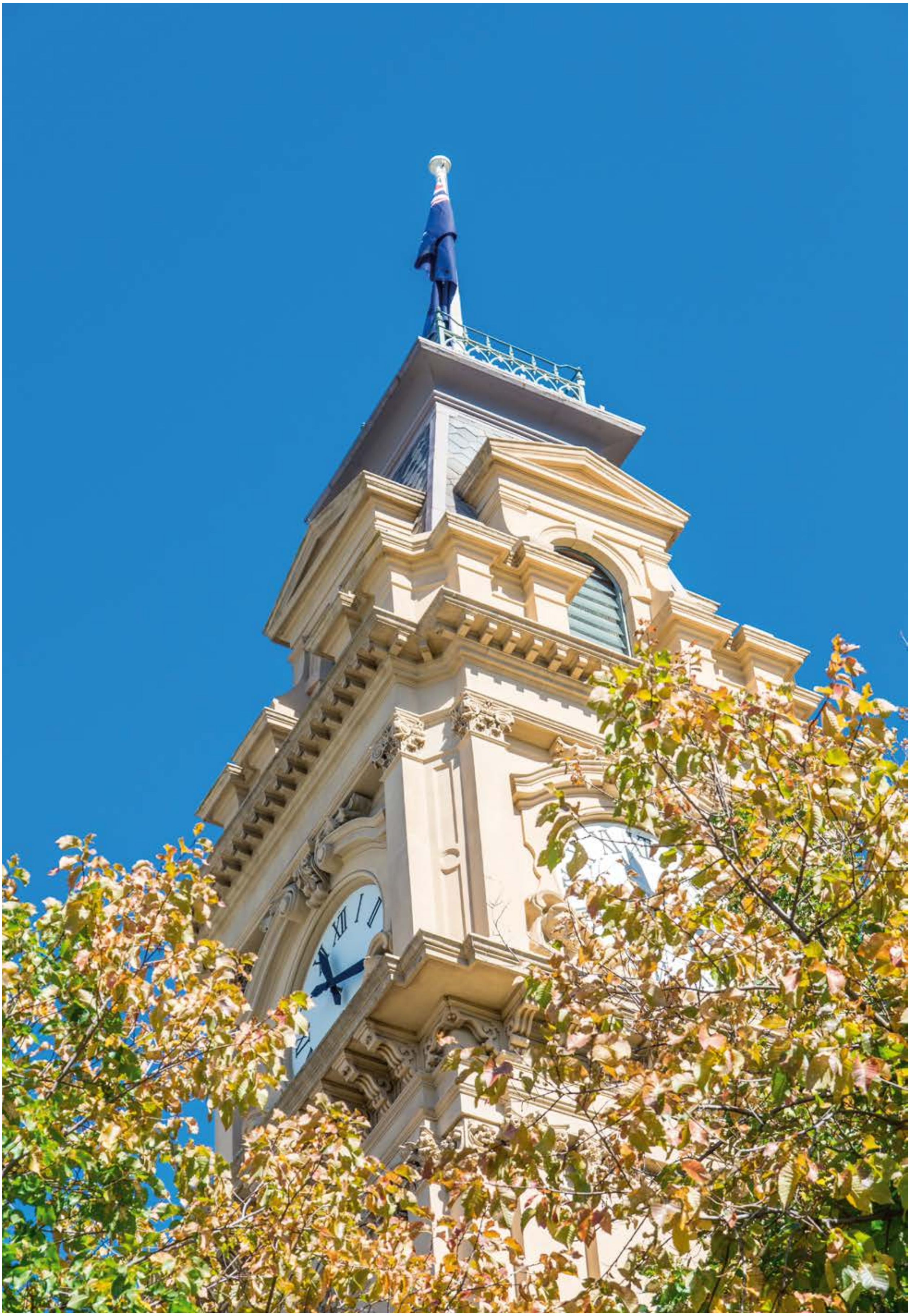
The Hon Kristy McBain MP
Minister for Regional Development, Local Government and Territories



Contents

List of tables

List of figures



01 Local Government in Australia

The Australian Government recognises that the national interest is served through improving the capacity of local government to deliver services to all Australians by enhancing the performance and efficiency of the sector. The *Local Government (Financial Assistance) Act 1995* (*Cth)* (the Act) is an important means used to achieve these goals.

During 2022–23, Australia had 546 local governing bodies eligible to receive funding under the Australian Government's Financial Assistance Grant program. The Act provides the legislative basis for this program. These 546 local governing bodies are:

- 535 local governments
- 10 declared local governing bodies, consisting of 5 Indigenous local governments and the Outback Areas Community Development Trust in South Australia; the Local Government Association of Northern Territory; the Silverton and Tibooburra villages; and Lord Howe Island in New South Wales
- the Australian Capital Territory, which receives funding through the Financial Assistance Grant program as it maintains both territorial and local government functions.

The Act defines the term 'local governing bodies' in a way that includes local governments established under state and Northern Territory legislation as well as 'declared bodies'. The terms 'council' and 'local government' are used interchangeably in this report to encompass all local governing bodies.

Declared bodies are funded under the Financial Assistance Grant program and are treated as local governments for the purposes of grant allocations. However, declared bodies are not local governments and have different legislative obligations. Due to this difference, data in this report that relates to local government may not be directly comparable to that for local governing bodies. Also, data relating to local government cannot be directly compared to that for the Australian Capital Territory, as the Australian Capital Territory performs both territorial and local government functions.

Local government functions

While the structure, powers and responsibilities of the Australian and state governments were established during federation, local government was not identified as a Commonwealth responsibility – it is a state and Northern Territory responsibility. The states and the Northern Territory established the legal and regulatory framework to create and operate local government. As such, there are significant differences between the systems overseeing councils.

The main roles of local government are governance, planning, community development, service delivery, asset management and regulation.

Local governments are close to their communities and have unique insights into local and community needs. Councils determine service provision according to local needs and the requirements of state and territory legislation.

Population

The estimated resident population of Australia at 30 June 2023 was 26,638,544, an increase of 624,100 persons or 2.4 per cent from 30 June 2022. All states and territories experienced positive growth for the year ending 30 June 2023. Western Australia recorded the highest growth rate (3.1 per cent) while Tasmania recorded the lowest (0.3 per cent).

The Australian Bureau of Statistics publishes information on Australia's population through its series, the https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population.

Diversity

Local government can be highly diverse, both within and between jurisdictions. This diversity extends beyond rural-metropolitan differences. In addition to size and population, other significant differences between councils include:

- the attitudes and aspirations of local communities
- fiscal position (including revenue-raising capacity), resources and skills base
- legislative frameworks, including voting rights and electoral systems for example
- physical, economic, social and cultural environments
- range and scale of functions.

Aboriginal and Torres Strait Islander councils

Aboriginal and Torres Strait Islander councils have been established under different legislative frameworks. They can be established under the mainstream local government legislation of a jurisdiction or through distinct legislation. They can also be 'declared' to be local governing bodies by the Australian Government Minister responsible for local government (the Federal Minister) on advice from a state or Northern Territory minister for the purpose of providing funding under the Financial Assistance Grant program.

National representation of local government

At the National Cabinet meeting of 17 June 2022, the Prime Minister confirmed that a representative of local government will be invited to National Cabinet and the Council on Federal Financial Relations once a year. In addition, the Albanese Government commenced re-establishing the Australian Council of Local Government.

The ACLG brings Australian Government Ministers and local governments together to discuss key issues and workshop potential solutions, especially those where local governments play a leading role.

On 16 June 2023, the Albanese Government convened the fifth Australian Council of Local Government (ACLG). The event was held in Canberra following the Australian Local Government Association's (ALGA) National General Assembly. A Gala Dinner prior to the ACLG was held on the evening of 15 June 2023 at Parliament House.

A total of 686 people attended the 2023 ACLG, representing 296 Councils, including 201 Mayors. The ACLG also had strong Ministerial participation, with Ministers (including the Prime Minister) participating as speakers or panellists at the Forum, as well as attending the Gala Dinner.

Australian Local Government Association

The Australian Local Government Association is a federation of state and Northern Territory local government associations. The Australian Local Government Association aims to add value, at the national level, to the work of state and territory associations and their member councils. Further information is available at https://alga.com.au.

Australian Government grant to local government

The Australian Government supports local government through the Financial Assistance Grant program, specific purpose payments (SPPs) and direct funding.

In 2022–23, the Australian Government provided $3.9 billion in untied funding under the Financial Assistance Grant program to local governing bodies and the Australian Capital Territory Government. The Australian Government brought forward $3.1 billion of the budgeted allocation for 2023–24 and paid this funding to states and territories in June 2023. The means of distributing funding provided under the Financial Assistance Grant program is discussed in Chapter 2. Allocations to local governing bodies for 2022–23 are provided in Appendix D.

Under the Intergovernmental Agreement on Federal Financial Relations, the Australian Government provided ongoing financial support to the states and territories for local government service delivery through:

- national SPPs to be spent in key service delivery sectors
- national partnership payments to support delivery of specified outputs or projects, facilitate reforms or reward those jurisdictions that deliver on nationally significant reforms
- general revenue assistance, including GST payments.

The national SPPs are distributed among the states each year in accordance with the Australian Statistician's determination of state population shares. An equal per capita distribution of the SPPs ensures that all Australians, regardless of the jurisdiction they live in, are provided with the same share of Commonwealth funding support for state service delivery.

Total payments to the states for specific purposes constitute a significant proportion of Commonwealth expenditure. In 2022–23, total SPPs were estimated in the October 2022–23 Budget to total $81.8 billion, a decrease of $4.6 billion or 5.3 per cent compared with 2021–22 largely due to the unwinding of temporary COVID–19 support measures (*Australian Government, Budget measures: Budget paper Number 3, 2022–23*).

Local government finances

Share of taxation revenue by sphere of government

Local government taxation revenue increased $934 million (4.5 per cent) from $20,888 million in 2021–22. Local government taxation revenue in 2022–23 amounted to 2.9 per cent of all taxes raised across all spheres of government in Australia. Taxes on property were the sole source of taxation revenue for local governments in 2022–23 (Australian Bureau of Statistics, *Taxation Revenue, Australia, 2022–23, ABS catalogue number* 5506.0). Table 1 provides further information on the local government share of taxation revenue in 2022–23.

Table 1 Share of taxation revenue, by sphere of government and source, 2022–23

Revenue source	*Federal (%)*	*State (%)*	*Local (%)*	*Total (%)*
Taxes on income	62.5	0.0	0.0	62.5
Employers payroll taxes	0.2	4.5	0.0	4.5
Taxes on property	0.0	2.4	2.9	5.3
Taxes on provision of goods and services	17.6	6.3	0.0	23.9
Taxes on use of goods and performance activities	1.5	2.2	0.0	3.7
Total	**81.8**	**15.5**	**2.9**	**100.0**

Notes: Figures may not add to totals due to inclusion of external territories and rounding.
'-' represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, *Taxation Revenue, Australia*, 2022–23, Total Taxation Revenue, ABS catalogue number 5506.0.

Local government revenue sources

In 2022–23, councils raised 80.2 per cent of their total revenue, with grants and subsidies making up the remaining 19.8 per cent (refer to Table 2). Individual councils have differing abilities to raise revenue. These differing abilities may not be apparent when national or even state averages are considered. The differences between urban, rural and remote councils – such as population size, rating base and their ability to levy user charges – affect the ability of a council to raise revenue.

Table 2 Local government revenue sources by jurisdiction in 2022–23

Revenue source in millions of dollars	***NSW***	***Vic***	***Qld***	***WA***	***SA***	***Tas***	***NT***	***Total***
Taxation	5,550 (27.7%)	6,108 (44.0%)	4,936 (32.2%)	2,758 (49.2%)	1,827 (59.6%)	485 (43.1%)	158 (29.5%)	21,822 (36.6%)
Sales of goods and services	5,847 (29.2%)	2,560 (18.4%)	5,008 (32.6%)	1,204 (21.5%)	511 (16.7%)	259 (23.0%)	114 (21.3%)	15,502 (26.0%)
Interest	465 (2.3%)	205 (1.5%)	284 (1.9%)	155 (2.8%)	33 (1.1%)	22 (2.0%)	8 (1.5%)	1,172 (2.0%)
Other*	3,510 (17.5%)	2,505 (18.0%)	2,285 (14.9%)	479 (8.5%)	223 (7.3%)	129 (11.5%)	143 (26.7%)	9,272 (15.6%)
Total own-source revenue	**15,372**	**11,378**	**12,513**	**4,596**	**2,594**	**895**	**423**	**47,768**
Grants and subsidies	4,661 (23.3%)	2,509 (18.1%)	2,832 (18.5%)	1,010 (18.0%)	469 (15.3%)	229 (20.4%)	112 (20.9%)	11,822 (19.8%)
Total grant revenue	**4,661**	**2,509**	**2,832**	**1,010**	**469**	**229**	**112**	**11,822**
Total revenue	**20,033 (100.0%)**	**13,887 (100.0%)**	**15,345 (100.0%)**	**5,606 (100.0%)**	**3,063 (100.0%)**	**1,124 (100.0%)**	**535 (100.0%)**	**59,590 (100.0%)**

Notes: Figures may not add to totals due to inclusion of external territories and rounding.

* Other revenue relates to items that are not recurrent and are not generated by the ordinary operations of the organisation, including items such as parking and other fines, rental incomes, insurance claims and revaluation adjustments.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia*, 2022–23, ABS cat. number 5512.0.

Local government revenue – taxes

One way local governments raise revenue is through rates on property. In 2022–23, 36.6 per cent of local government revenue nationally came from rates. The proportion of revenue from rates varied notably between jurisdictions – from a high of 59.6 per cent for South Australia to a low of 27.7 per cent in New South Wales – and 15.6 per cent of local government revenue was classified as 'other' (refer to Table 2).

Rates in each state and, in part, the Northern Territory are based on a land valuation. However, methods for assessing land value differ significantly between states.

Local government revenue – other non-grant revenue sources

Local government received 26.0 per cent of its revenue in 2022–23 from the sale of goods and services (refer to Table 2).

Councils in New South Wales relied more on government grants and subsidies than councils in other jurisdictions, as they raised from their own sources only 76.7 per cent of their total revenue. In the remaining states, the proportion of revenue raised from own sources ranged from 79.1 per cent for the Northern Territory councils to 84.7 per cent for South Australian councils (refer to Table 2).

Local government expenditure

Local government expenditure is primarily on general public services (22.9 per cent) followed by transport (21.8 per cent) and recreation, culture and religion (16.5 per cent) (refer to Table 3).

Table 3 Local government expenditure by purpose and jurisdiction in 2022–23

Expenditure in millions of dollars	NSW	Vic	Qld	WA	SA	Tas	NT	Total
General public services	3,789 (24.9%)	1,954 (17.6%)	3,629 (28.9%)	1,013 (20.6%)	168 (6.2%)	225 (24.2%)	213 (41.8%)	10,990 (22.9%)
Public order and safety	526 (3.5%)	340 (3.1%)	258 (2.1%)	175 (3.6%)	69 (2.6%)	9 (1.0%)	22 (4.3%)	1,399 (2.9%)
Economic affairs	797 (5.2%)	456 (4.1%)	465 (3.7%)	223 (4.5%)	191 (7.1%)	39 (4.2%)	22 (4.3%)	2,193 (4.6%)
Environmental protection	2,874 (18.9%)	1,787 (16.1%)	1,683 (13.4%)	343 (7.0%)	525 (19.5%)	143 (15.4%)	24 (4.7%)	7,379 (15.4%)
Housing and community amenities	1,378 (9.1%)	774 (7.0%)	1,625 (12.9%)	498 (10.1%)	254 (9.4%)	87 (9.4%)	75 (14.7%)	4,691 (9.8%)
Health	97 (0.6%)	216 (1.9%)	56 (0.4%)	83 (1.7%)	78 (2.9%)	13 (1.4%)	4 (0.8%)	547 (1.1%)
Recreation, culture and religion	2,149 (14.1%)	2,230 (20.0%)	1,540 (12.2%)	1,091 (22.2%)	681 (25.2%)	161 (17.3%)	59 (11.6%)	7,911 (16.5%)
Education	109 (0.7%)	238 (2.1%)	6 (0.0%)	6 (0.1%)	0 (0.0%)	1 (0.0%)	4 (0.8%)	365 (0.8%)
Social protection	443 (2.9%)	1,092 (9.8%)	60 (0.5%)	225 (4.6%)	156 (5.8%)	23 (2.5%)	35 (6.9%)	2,034 (4.2%)
Transport	3,050 (20.0%)	2,044 (18.4%)	3,252 (25.9%)	1,264 (25.7%)	577 (21.4%)	229 (24.6%)	52 (10.2%)	10,468 (21.8%)
Total	**15,212 (100.0%)**	**11,131 (100.0%)**	**12,574 (100.0%)**	**4,921 (100.0%)**	**2,699 (100.0%)**	**930 (100.0%)**	**510 (100.0%)**	**47,977 (100.0%)**

Notes: Figures may not add due to rounding.
'-' represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia, 2022–23*, ABS cat. number 5512.0.

Assets and liabilities

In 2022–23, local government in Australia had a net worth of $616,797 million, with assets worth $643,400 million and liabilities worth $26,605 million (refer to Table 4 and Table 5).

On a state basis, only councils in South Australia had a negative net debt position as at 30 June 2023, while all the other states and the Northern Territory each had a net surplus (refer to Table 5).

Table 4 Local government assets in 2022–23

Assets in millions of dollars	*NSW*	*Vic*	*Qld*	*WA*	*SA*	*Tas*	*NT*	*Total*
Financial								
Currency and deposits	3,011	2,424	5,496	3,156	64	660	225	15,036
Advances	0	5	0	3	93	2	0	103
Other loans and placements	0	5,118	1,249	682	20	0	0	7,069
Equity including contributed capital	0	0	6,554	654	170	1,805	0	9,183
Other financial assets	17,811	1,759	2,820	418	305	64	190	23,367
Total financial assets	**20,822**	**9,306**	**16,119**	**4,913**	**652**	**2,531**	**415**	**54,758**
Non-financial								
Buildings and structures	150,191	71,916	125,199	44,144	21,815	9,045	2,179	424,489
Machinery and equipment	1,746	1,112	1,662	1,529	388	147	60	6,644
Other fixed produced assets	0	296	256	0	0	13	0	565
Other produced assets	1,233	1,256	1,065	76	17	267	242	4,156
Land	60,415	58,245	15,974	5,786	8,275	3,272	585	152,552
Other non-produced assets	236	0	0	0	0	0	0	236
Total non-financial assets	**213,821**	**132,825**	**144,156**	**51,535**	**30,495**	**12,744**	**3,066**	**588,642**
Total assets	**234,643**	**142,131**	**160,275**	**56,448**	**31,147**	**15,275**	**3,481**	**643,400**

Notes: These figures may not add to totals due to rounding.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia*, 2022–23, ABS cat. number 5512.0.

Table 5 Local government liabilities and net worth and debt in 2022–23

Liabilities in millions of dollars	***NSW***	***Vic***	***Qld***	***WA***	***SA***	***Tas***	***NT***	***Total***
Currency and deposits	61	549	31	53	241	21	1	957
Advances	0	91	0	1	210	8	4	314
Other loans and placements	3,578	1,295	6,192	653	97	233	66	12,114
Debt securities	0	0	0	0	0	0	0	0
Provisions for defined benefit superannuation	0	8	0	0	0	0	0	8
Other liabilities	3,953	2,593	4,456	1,068	684	250	208	13,212
Total liabilities	**7,592**	**4,536**	**10,679**	**1,775**	**1,232**	**512**	**279**	**26,605**
Net financial worth†	**227,051**	**137,596**	**149,594**	**54,673**	**29,915**	**14,764**	**3,203**	**616,797**
Net debt*	**13,230**	**4,772**	**5,438**	**3,138**	**–579**	**2,020**	**137**	**28,156**

Notes: These figures may not add to totals due to rounding.

† Net financial worth is the difference between total assets and total liabilities.

* Net debt comprises memorandum items for comparison only. They do not derive from the above calculations. Net debt is the sum of selected financial liabilities, deposits held, advances received, government securities, loans, and other borrowing, less the sum of selected financial assets, cash and deposits, advances paid, and investments, loans and placements. Net debt is a common measure of the strength of a government's financial position.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia*, 2022–23, ABS cat. number 5512.0.

02
Financial Assistance Grant program

History of the arrangements

Financial Assistance Grant program funding is provided under the *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act), which replaced the *Local Government (Financial Assistance) Act 1986* (Cth) from 1 July 1995.

Funding from the Australian Government to local government began in 1974–75. At that time, funding was determined by the Commonwealth Grants Commission on a horizontal equalisation basis, as defined in Appendix A.

The *Local Government (Financial Assistance) Act 1986* (Cth) was amended to reflect a new indexation formula which was derived from the Consumer Price Index and population growth. In addition, Local Government Grants Commissions were introduced to determine distributions to individual councils within their state or territory. These took into account a horizontal equalisation principle and a 30 per cent minimum grant principle, as defined in Appendix A.

From 1 July 1991, in addition to the already existing, untied general purpose component, the untied local road component was introduced to replace specific purpose funding for local roads provided under the *Australian Land Transport Development Act 1988* (Cth). The local road formula, agreed to by all Premiers, is intended to help local government with the cost of maintaining local roads. The changes to the Act introduced the untied local road component and formalised a set of National Principles covering both the general purpose and local road components. Each Local Government Grants Commission must consider the National Principles when determining allocations to local governing bodies. Further information on the National Principles is provided in Appendix A.

The objectives of the general purpose component include improving the capacity of local governments to provide their communities with an equitable level of services and increasing local government's efficiency and effectiveness. The objective of the identified road component is to support local governing bodies with funding allocated on the basis of relative needs for roads expenditure and to preserve road assets.

The yearly Financial Assistance Grant program funding is paid quarterly from the Commonwealth to the states and territories, which pass on the funding to local governments without delay. This funding is untied in the hands of local government, meaning local governments are not obliged to spend the funding in any particular way. Rather, local governments determine how they spend the funding to meet local priorities.

In May 2009, the Act was amended to allow early payment of funding, from the next financial year, to be made in the current financial year. Bring forward payments are reflected in the Treasurer's Determination in the year they are paid.

Quantum of Financial Assistance Grant allocations

Table 6 shows funding under the Financial Assistance Grant program since the introduction of the general purpose component in 1974–75 and the local road component in 1991–92.

Table 6 National Financial Assistance Grant allocations, 1974–75 to 2022–23

Year	General purpose ($)	Local road ($)	Total ($)
1974–75	56,345,000	n/a	56,345,000
1975–76	79,978,000	n/a	79,978,000
1976–77	140,070,131	n/a	140,070,131
1977–78	165,327,608	n/a	165,327,608
1978–79	179,426,870	n/a	179,426,870
1979–80[a]	222,801,191	n/a	222,801,191
1980–81	302,226,347	n/a	302,226,347
1981–82	352,544,573	n/a	352,544,573
1982–83	426,518,330	n/a	426,518,330
1983–84	461,531,180	n/a	461,531,180
1984–85	488,831,365	n/a	488,831,365
1985–86	538,532,042	n/a	538,532,042
1986–87	590,427,808	n/a	590,427,808
1987–88	636,717,377	n/a	636,717,377
1988–89	652,500,000	n/a	652,500,000
1989–90	677,739,860	n/a	677,739,860
1990–91	699,291,988	n/a	699,291,988
1991–92[b]	714,969,488	303,174,734	1,018,144,222
1992–93[c]	730,122,049	318,506,205	1,048,628,254
1993–94	737,203,496	322,065,373	1,059,268,869
1994–95	756,446,019	330,471,280	1,086,917,299
1995–96[d]	806,748,051	357,977,851	1,164,725,902
1996–97	833,693,434	369,934,312	1,203,627,746
1997–98	832,859,742	369,564,377	1,202,424,119
1998–99	854,180,951	379,025,226	1,233,206,177
1999–2000	880,575,142	390,737,104	1,271,312,246
2000–01	919,848,794	408,163,980	1,328,012,774
2001–02	965,841,233	428,572,178	1,394,413,411
2002–03	1,007,855,328	447,215,070	1,455,070,398
2003–04	1,039,703,554	461,347,062	1,501,050,616
2004–05	1,077,132,883	477,955,558	1,555,088,441
2005–06	1,121,079,905	497,456,144	1,618,536,049
2006–07	1,168,277,369	518,399,049	1,686,676,418
2007–08	1,234,986,007	547,999,635	1,782,985,642
2008–09	1,621,289,630	719,413,921	2,340,703,551
2009–10	1,378,744,701	611,789,598	1,990,534,299
2010–11	1,446,854,689	642,012,005	2,088,866,694
2011–12	1,856,603,939	823,829,803	2,680,433,742

Year	General purpose ($)	Local road ($)	Total ($)
2012–13	1,525,571,456	676,940,950	2,202,512,406
2013–14	798,026,429	354,107,812	1,152,134,241
2014–15	2,377,879,350	1,055,135,046	3,433,014,396
2015–16	792,547,187	351,676,511	1,144,223,698
2016–17	2,405,539,222	1,067,408,546	3,472,947,768
2017–18	1,670,887,544	741,421,976	2,412,309,520
2018–19	1,721,014,169	763,664,637	2,484,678,806
2019–20	1,784,003,288	791,614,762	2,575,618,050
2020–21	1,804,876,126	800,876,655	2,605,752,781
2021–22	2,445,246,176	1,085,027,692	3,530,273,868
2022–23	2,732,073,552	1,212,301,441	3,944,374,993
Total	**48,713,490,573**	**18,625,786,493**	**67,339,277,066**

Notes:

a. Grants to the Northern Territory under the program commenced in 1979–80, with the initial allocation being $1,061,733.

b. Before 1991–92, local road funding was provided as tied grants under different legislation.

c. In 1992–93, part of the road grant entitlement of the Tasmanian and Northern Territory governments was reallocated to local government in these jurisdictions.

d. Grants to the Australian Capital Territory under the program commenced in 1995–96.

e. All funding represents actual entitlements.

n/a = not applicable.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Overview of current arrangements

The following actions were taken to distribute funding in 2022–23 to local government under the Financial Assistance Grant program and in accordance with the Act. They reflect the different roles and responsibilities that the Commonwealth and the states and territories have under the Act.

- Before the start of the financial year, the Australian Government estimated the quantum of general purpose and local road components that were to be allocated to local government across the nation. This is equal to the national grant final entitlement for the previous financial year multiplied by the estimated escalation factor resulting from changes in population and the Consumer Price Index.
- The Australian Government Minister responsible for local government (the Federal Minister) advised the states and territories of their estimated quantum of general purpose and local road components, calculated in accordance with the Act.
- Local Government Grants Commissions in each state and the Northern Territory recommended to their local government minister, the general purpose and local road component allocations to be made to local governing bodies in their jurisdiction. The recommendations were made in accordance with National Principles formulated under the Act for allocating grants. The Australian Capital Territory does not have a Local Government Grants Commission as the territory government provides local government services in lieu of having a system of local government.

- State and Northern Territory local government ministers forwarded the recommendations of the Local Government Grants Commission in their jurisdiction to the Federal Minister.
- When satisfied that the states and territories had adopted the recommendations of their Local Government Grants Commissions, the Federal Minister approved payment to the states and territories. The Australian Government paid the grant in quarterly instalments to the states and territories, which, without undue delay, passed them on to local governing bodies within their jurisdictions in accordance with the recommended allocations.
- When updated Consumer Price Index and population information became available toward the end of the financial year, an actual escalation factor was calculated and the actual grant entitlement for 2022–23 was determined. As population estimates are applied to the general purpose component, jurisdictions experiencing a negative population change from one year to the next will receive a declining share of the general-purpose funding.
- Any difference between the estimated and actual entitlements in the current year is combined with the estimated entitlement in the next year to determine the next year's cash payment. This is known as the 'adjustment' referred to in the Act.

Determining the quantum of the grant

Section 8 of the Act specifies the formula the Treasurer of the Commonwealth (the Treasurer) is to apply each year to calculate the escalation factors used to determine the funding under the Financial Assistance Grant program. The escalation factors are based on changes in the Consumer Price Index and population.

The Act provides the Treasurer with discretion to increase or decrease the escalation factors in special circumstances. When applying this discretion, the Treasurer is required to have regard to the objects of the Act and any other matter the Treasurer thinks relevant. The same escalation factor is applied to both the general purpose and local road components.

Objects of the Act

Sub-section 3(2) of the Act states the objects as follows.

The Parliament of Australia wishes to provide financial assistance to the States for the purposes of improving:

a. the financial capacity of local governing bodies; and
b. the capacity of local governing bodies to provide their residents with an equitable level of services; and
c. the certainty of funding for local governing bodies; and
d. the efficiency and effectiveness of local governing bodies; and
e. the provision by local governing bodies of services to Aboriginal and Torres Strait Islander communities.

Determining entitlements for 2022–23 and 2023–24

The calculations of the 2022–23 actual entitlement and the 2023–24 estimated entitlement, using the final escalation factor (the final factor) and estimated escalation factor (the estimated factor), are set out in the Treasurer's Determination in Figure 1 and Figure 2.

The estimated entitlement for 2022–23 was $703.6 million (refer to Table 7), consisting of $487.3 million under the general purpose component (refer to Table 8) and $216.3 million under the identified local road component (refer to Table 9).

On 16 June 2023, the Prime Minister announced the Australian Government's decision to bring forward $3.1 billion, being 100 per cent of the 2023–24 estimate for payment in 2022–23. This funding consisted of a general purpose component of $2.2 billion and a local road component of $954.8 million.

The final entitlement for 2022–23 to local governments was $3.9 billion (refer to Table 10), broken out into the general purpose component of $2.7 billion (refer to Table 11) and the identified local road component of $1.2 billion (refer to Table 12).

The positive adjustment of $134.3 million was applied to the estimated entitlement in the following year (2023–24). Refer to the section headed 'Variations in reported grants'.

In 2022–23, all jurisdictions, except the Northern Territory, experienced a population increase from 2021–22 and an increasing share of the general purpose component.

Figure 1 Determination by the Assistant Minister for Competition, Charities and Treasury of the final factor for 2022–23

Part 2 – Final factor for the year 2022–23

5 Determination of final factor for 2022–23

For the purposes of subsection 8(1) of the Act, the factor in relation to the 2022–23 year is 1.1173.

6 How the final factor was worked out

(1) Under subsection 8(1) of the Act, the factor in relation to the 2022–23 year is to be worked out by applying the formula set out in paragraph 8(1)(a) of the Act and then adjusting the result under whichever of paragraphs 8(1)(b) and (c) of the Act are applicable.

Paragraph 8(1)(a) formula

(2) The factor calculated under paragraph 8(1)(a) of the Act is as follows:

$$\left(\frac{25{,}766{,}741}{25{,}633{,}846}\right) \times \left(\frac{132.6}{123.9}\right) = 1.07577$$

Note 1: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2021 on 15 June 2023 (published and available at https://www.abs.gov.au).

Note 2: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2020 on 28 June 2022 (published and available at https://www.abs.gov.au).

Note 3: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 26 April 2023 by the Statistician in respect of the 2023 March quarter (published and available at https://www.abs.gov.au).

Note 4: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 27 April 2022 by the Statistician in respect of the 2022 March quarter (published and available at https://www.abs.gov.au).

Paragraph 8(1)(b) modification

(3) The result of subsection (2) was modified by increasing the factor by 0.0001 under paragraph 8(1)(b) of the Act as the fifth decimal place was greater than 4.

Paragraph 8(1)(c) modification

(4) The result of subsection (3) was modified under paragraph 8(1)(c) of the Act as a result of special circumstances, being the need to account for the Commonwealth's decision to bring forward the first 3 quarterly payments in the 2022–23 year into the 2021–22 year and all of the payments in the 2023–24 year into the 2022–23 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\left(\frac{\text{2022–23 amount} - \text{2021–22 amount} + \text{2023–24 amount}}{\text{2021–22 final entitlement}}\right) \times \left(\frac{1}{\text{sub (3) factor}}\right)$$

Where:

2021–22 amount means the first 3 quarterly payments that were brought forward from the year 2022–23 to be paid in the year 2021–22.

2022–23 amount means the amount that would have been the base figure for the year 2022–23 if the Commonwealth had not decided to bring forward any quarterly payments.

2023–24 amount means all of the payments that were brought forward from the year 2023–24 to be paid in the year 2022–23.

2021–22 final entitlement means the base figure for the year 2021–22.

sub (3) factor means the result of subsection (3).

Figure 2 Determination by the Assistant Minister for Competition, Charities and Treasury of the estimated factor for 2023–24

Part 3 – Estimated factor for the year 2023–24

7 Determination of estimated factor for 2023–24

For the purposes of paragraph 7(3)(b) of the Act, the estimated factor in relation to the 2023–24 year is 0.0015.

8 How the estimated factor has been worked out

(1) Under subsection 8(1) of the Act, the factor in relation to the 2023–24 year is to be worked out by applying the formula set out in paragraph 8(1)(a) of the Act and then adjusting the result under whichever of paragraphs 8(1)(b) and (c) of the Act are applicable.

(2) The factor calculated under paragraph 8(1)(a) of the Act is as follows:

$$\left(\frac{26{,}263{,}412}{25{,}766{,}741}\right) \times \left(\frac{137.2}{132.6}\right) = 1.05464$$

Note 1: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2022 on 15 June 2023 (published and available at https://www.abs.gov.au).

Note 2: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2021 on 15 June 2023 (published and available at https://www.abs.gov.au).

Note 3: The formula uses the 2023–24 Budget forecast of the Department of the Treasury of the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, in respect of the 2024 March quarter.

Note 4: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 26 April 2023 by the Statistician in respect of the 2023 March quarter (published and available at https://www.abs.gov.au).

Paragraph 8(1)(c) modification

(4) The result of subsection (3) was modified under paragraph 8(1)(c) of the Act as a result of special circumstances, being the need to account for the Commonwealth's decision to bring forward all of the payments in the 2023–24 year into the 2022–23 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\left(\frac{\text{2023–24 amount} - \text{2022–23 amount}}{\text{2022–23 final entitlement}}\right) \times \left(\frac{1}{\text{sub (3) factor}}\right)$$

Where:

2022–23 amount means all the payments that were brought forward from the year 2023–24 to be paid in the year 2022–23.

2023–24 amount means the amount that would have been the base figure for the year 2023–24 if the Commonwealth had not decided to bring forward any payments.

2022–23 final entitlement means the base figure for the year 2022–23.

sub (3) factor means the result of subsection (3).

Table 7 *Estimated entitlements 2022–23*

Totals	2021–22 final entitlement (in $)	Multiplied by 2022–23 estimated factor	Equals 2022–23 estimated entitlement (in $)	Then add 2021–22 adjustment & bring forward (in $)	Equals 2022–23 cash payment (in $)
General purpose	2,445,246,176	0.1993	487,337,563	2,211,234,844	2,698,572,407
Local road	1,085,027,692	0.1993	216,246,019	981,189,984	1,197,436,003
Total	**3,530,273,868**	**N/A**	**703,583,582**	**3,192,424,828**	**3,896,008,410**

Table 8 *General purpose estimated entitlements in 2022–23*

General purpose	2021–22 final entitlement (in $)	31 December 2021 population*	Equals 2022–23 estimated entitlement (in $)	Then add 2021–22 adjustment & bring forward (in $)	Equals 2022–23 cash payment (in $)
NSW	771,161,673	8,095,430	153,142,089	687,458,347	840,600,436
VIC	626,097,531	6,559,941	124,095,084	558,374,814	682,469,898
QLD	495,210,064	5,265,043	99,599,364	452,098,258	551,697,622
WA	260,583,211	2,762,234	52,253,467	242,826,904	295,080,371
SA	171,413,893	1,806,599	34,175,621	157,316,503	191,492,124
TAS	53,949,224	569,827	10,779,476	50,768,881	61,548,357
NT	23,767,985	249,345	4,716,885	21,566,187	26,283,072
ACT	43,062,595	453,324	8,575,577	40,824,950	49,400,527
Total	**2,445,246,176**	**25,761,743**	**487,337,563**	**2,211,234,844**	**2,698,572,407**

Notes: * Based on statistics provided by the Australian Statistician on 28 June 2022

Table 9 *Local road estimated entitlements in 2022–23*

Local road	2021–22 final entitlement (in $)	Multiplied by 2022–23 estimated factor	Equals 2022–23 estimated entitlement (in $)	Then add 2021–22 adjustment & bring forward (in $)	Equals 2022–23 cash payment (in $)
NSW	314,800,579	0.1993	62,739,755	284,674,000	347,413,755
VIC	223,693,467	0.1993	44,582,108	202,285,888	246,867,996
QLD	203,294,434	0.1993	40,516,581	183,839,051	224,355,632
WA	165,902,329	0.1993	33,064,334	150,025,390	183,089,724
SA	59,629,621	0.1993	11,884,183	53,923,038	65,807,221
TAS	57,498,797	0.1993	11,459,510	51,996,132	63,455,642
NT	25,416,580	0.1993	5,065,524	22,984,201	28,049,725
ACT	34,791,885	0.1993	6,934,024	31,462,284	38,396,308
Total	**1,085,027,692**	**N/A**	**216,246,019**	**981,189,984**	**1,197,436,003**

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Table 10 Final entitlements 2022–23

Totals	2021–22 final entitlement (in $)	Multiplied by 2022–23 final factor	Equals 2022–23 final entitlement (in $)	Then subtract 2022–23 estimated entitlement (in $)	Equals 2022–23 adjustment (in $)
General purpose	2,445,246,176	1.1173	2,732,073,552	487,337,563	2,244,735,989
Local road	1,085,027,692	1.1173	1,212,301,441	216,246,019	996,055,422
Total	**3,530,273,868**		**3,944,374,993**	**703,583,582**	**3,240,791,411**

Table 11 General purpose final entitlements in 2022–23

General purpose	2021–22 final entitlement (in $)	31 December 2021 population*	Equals 2022–23 final entitlement (in $)	Then subtract 2022–23 estimated entitlement (in $)	Equals 2022–23 adjustment (in $)
NSW	771,161,673	8,100,840	858,940,241	153,142,089	705,798,152
VIC	626,097,531	6,566,560	696,258,984	124,095,084	572,163,900
QLD	495,210,064	5,261,715	557,904,952	99,599,364	458,305,588
WA	260,583,211	2,762,511	292,911,829	52,253,467	240,658,362
SA	171,413,893	1,805,749	191,465,389	34,175,621	157,289,768
TAS	53,949,224	568,720	60,301,956	10,779,476	49,522,480
NT	23,767,985	248,127	26,309,156	4,716,885	21,592,271
ACT	43,062,595	452,519	47,981,045	8,575,577	39,405,468
Total	**2,445,246,176**	**25,766,741**	**2,732,073,552**	**487,337,563**	**2,244,735,989**

Notes: * Based on statistics provided by the Australian Statistician on 15 June 2023

Table 12 Local road final entitlements in 2022–23

Local road	2021–22 final entitlement (in $)	Multiplied by 2022–23 final factor	Equals 2022–23 final entitlement (in $)	Then subtract 2022–23 estimated entitlement (in $)	Equals 2022–23 adjustment (in $)
NSW	314,800,579	1.1173	351,726,687	62,739,755	288,986,932
VIC	223,693,467	1.1173	249,932,711	44,582,108	205,350,603
QLD	203,294,434	1.1173	227,140,871	40,516,581	186,624,290
WA	165,902,329	1.1173	185,362,672	33,064,334	152,298,338
SA	59,629,621	1.1173	66,624,176	11,884,183	54,739,993
TAS	57,498,797	1.1173	64,243,406	11,459,510	52,783,896
NT	25,416,580	1.1173	28,397,945	5,065,524	23,332,421
ACT	34,791,885	1.1173	38,872,973	6,934,024	31,938,949
Total	**1,085,027,692**		**1,212,301,441**	**216,246,019**	**996,055,422**

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Variations in reported grants

At the beginning of each financial year, the quantum of the grant to local government is estimated using the estimated factor, which is based on forecasts of the Consumer Price Index and population changes for the year.

At the end of each financial year, the actual or final grant for local government is calculated using the final factor, which is based on updated Consumer Price Index and population figures.

Invariably there is a difference between the estimated and actual grant entitlements. This difference is combined with the estimated entitlement in the following financial year to provide the cash payment for the next year.

Figures provided in Appendix D and Appendix E reflect the requirement under the Act to provide a comparison of councils at the national level. To do this, final allocations are calculated on a per capita (general purpose) and per kilometre (local road) basis. This may differ from the comparison calculations used by Local Government Grants Commissions in each jurisdiction.

Consequently, there are numerous ways in which funding provided under the Financial Assistance Grant program can be reported.

Inter-jurisdictional distribution of grant

The Act specifies that the general-purpose component is to be divided among the jurisdictions on a per capita basis. The distribution is based on the Australian Bureau of Statistics' estimate of each jurisdiction's population and the estimated population of all states and territories as at 31 December of the previous year.

In contrast, each jurisdiction's share of the local road component is fixed. The distribution is based on shares determined from the former tied grant arrangements (refer to '*History of the interstate distribution of local road grants*' in the *2001–02 Local Government National Report*). Therefore, the local road share for each state and territory is determined by multiplying the previous year's funding by the estimated factor as determined by the Treasurer.

The 2022–23 allocations of general purpose and local road grants among jurisdictions are provided in Table 13 while Table 14 provides a comparison to the 2021–22 allocations.

Table 13 2022–23 final entitlement allocations of general purpose (GP) and local road (LR) grants among jurisdictions

State	GP final entitlement $	GP bring forward paid in June 2023 $	Total GP final and bring forward $	% of total GP pool %	31 Dec 2021 population* (Number)	$ per capita $	LR final entitlement $	LR bring forward paid in June 2023 $	Total LR final and bring forward $	% of LR pool %	Kilometres km	% of LR length %	$ per km $	Total final entitlement $
NSW	184,576,936	674,363,305	858,940,241	31.40%	8,100,840	106.03	74,719,585	277,007,102	351,726,687	29.00%	147,617	22.30%	2,382.70	1,210,666,928
Vic	147,140,656	549,118,328	696,258,984	25.50%	6,566,560	106.03	53,094,829	196,837,882	249,932,711	20.60%	133,043	20.00%	1,878.59	946,191,695
Qld	116,654,651	441,250,301	557,904,952	20.40%	5,261,715	106.03	48,253,011	178,887,860	227,140,871	18.80%	150,092	22.60%	1,513.34	785,045,823
WA	61,990,142	230,921,687	292,911,829	10.70%	2,762,511	106.03	39,377,796	145,984,876	185,362,672	15.30%	127,360	19.20%	1,455.42	478,274,501
SA	41,051,692	150,413,697	191,465,389	7.00%	1,805,749	106.03	14,153,405	52,470,771	66,624,176	5.50%	78,146	11.80%	852.56	258,089,565
Tas	13,204,817	47,097,139	60,301,956	2.20%	568,720	106.03	13,647,644	50,595,762	64,243,406	5.30%	14,205	2.10%	4,522.59	124,545,362
NT	5,622,896	20,686,260	26,309,156	1.00%	248,127	106.03	6,032,758	22,365,187	28,397,945	2.30%	13,141	2.00%	2,161.02	54,707,101
ACT	10,150,350	37,830,695	47,981,045	1.80%	452,519	106.03	8,258,038	30,614,935	38,872,973	3.20%	-	-	-	86,854,018
Total	**580,392,140**	**2,151,681,412**	**2,732,073,552**	**100.00%**	**25,766,741**	**106.03**	**257,537,066**	**954,764,375**	**1,212,301,441**	**100.00%**	**663,604**	**100.00%**	**1,826.84**	**3,944,374,993**

Notes: * Excludes other territories comprising Jervis Bay Territory, Christmas Island and the Cocos (Keeling) Islands.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Table 14 2022–23 final entitlement and percentage change from 2021–22

State	2022–23 GP final entitlement $	2021–22 GP final entitlement $	% change from 2021–22 final entitlement %	2022–23 LR final entitlement $	2021–22 LR final entitlement $	% change from 2021–22 final entitlement %	2022–23 final entitlement $	Total 2021–22 final entitlement $	% change from 2021–22 final entitlement %
NSW	858,940,241	771,161,673	11.40%	351,726,687	314,800,579	11.70%	1,210,666,928	1,085,962,252	11.50%
Vic	696,258,984	626,097,531	11.20%	249,932,711	223,693,467	11.70%	946,191,695	849,790,998	11.30%
Qld	557,904,952	495,210,064	12.70%	227,140,871	203,294,434	11.70%	785,045,823	698,504,498	12.40%
WA	292,911,829	260,583,211	12.40%	185,362,672	165,902,329	11.70%	478,274,501	426,485,540	12.10%
SA	191,465,389	171,413,893	11.70%	66,624,176	59,629,621	11.70%	258,089,565	231,043,514	11.70%
Tas	60,301,956	53,949,224	11.80%	64,243,406	57,498,797	11.70%	124,545,362	111,448,021	11.80%
NT	26,309,156	23,767,985	10.70%	28,397,945	25,416,580	11.70%	54,707,101	49,184,565	11.20%
ACT	47,981,045	43,062,595	11.40%	38,872,973	34,791,885	11.70%	86,854,018	77,854,480	11.60%
Total	**2,732,073,552**	**2,445,246,176**	**11.70%**	**1,212,301,441**	**1,085,027,692**	**11.70%**	**3,944,374,993**	**3,530,273,868**	**11.70%**

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

National Principles for the allocation of grants under the Act

As outlined in section 6 of the Act, the Federal Minister is required to formulate National Principles in consultation with state and territory ministers for local government and a body or bodies representative of local government. The National Principles guide the states and the Northern Territory in allocating funding from the Financial Assistance Grant program to local governing bodies within their jurisdiction.

The National Principles are set out in full in Appendix A.

Determining the distribution of grants within jurisdictions

Under sections 11 and 14 of the Act, funding under the Financial Assistance Grant program can only be paid to jurisdictions (other than the Australian Capital Territory) that have established a Local Government Grants Commission. The Australian Capital Territory does not have a Local Government Grants Commission because its government provides local government services.

The Local Government Grants Commissions make recommendations, in accordance with the National Principles, on the quantum of the funding to be allocated to local governing bodies under the Financial Assistance Grant program. The state and Northern Territory governments determine the membership of, and provide resources for, their respective Local Government Grants Commissions. Further detail on the Local Government Grants Commissions is provided in Figure 3.

Once each Local Government Grants Commission has calculated the recommended allocations to local governing bodies in its jurisdiction under the Financial Assistance Grant program, the relevant state or Northern Territory minister recommends the allocations to the Federal Minister for approval. The Act requires that the Federal Minister be satisfied that the states and the Northern Territory have adopted the recommendations of their Local Government Grants Commission.

As a condition for paying funding under the Financial Assistance Grant program, Section 15 of the Act requires that the states and the Northern Territory must provide the funding to local government without undue delay and without conditions, giving local government discretion to use the funds for local priorities.

Further, the Act requires the state and Northern Territory treasurers to give the Federal Minister, as soon as practicable after 30 June each year, a statement detailing payments made to local government during the previous financial year, including the date the payments were made, as well as a certificate from their respective Auditor-General certifying that the statement is correct.

Funding under the Financial Assistance Grant program is paid in equal quarterly instalments. The first payment for each financial year is paid as soon as statutory conditions are met. One of the requirements of the Act is that the first payment cannot be made before 15 August.

Figure 3 Local Government Grants Commissions

Section 5 of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) specifies the criteria a body must satisfy to be recognised as a Local Government Grants Commission. These criteria are:

- the body is established by a law of a state or the Northern Territory;
- the principal function of the body is to make recommendations to the state or territory government about provision of financial assistance to local governing bodies in the state or territory; and
- the Federal Minister is satisfied that the body includes at least 2 people who are or have been associated with local government in the state or territory, whether as members of a local governing body or otherwise.

Section 11 of the Act requires Local Government Grants Commissions to: hold public hearings in connection with their recommended grant allocations; permit or require local governing bodies to make submissions to their commission in relation to the recommendations; and make their recommendations in accordance with the National Principles.

The legislation establishing Local Government Grants Commissions in each state and the Northern Territory is:

New South Wales	*Local Government Act 1993* (NSW)
Victoria	*Victorian Local Government Grants Commission Act 1976* (Vic)
Queensland	*Local Government Act 2009* (Qld)
Western Australia	*Local Government Grants Act 1978* (WA)
South Australia	*South Australian Local Government Grants Commission Act 1992* (SA)
Tasmania	*State Grants Commission Act 1976* (Tas)
Northern Territory	*Local Government Grants Commission Act 1986* (NT).

Bodies eligible to receive funding under the Financial Assistance Grant program

All local governing bodies constituted under state or territory legislation are automatically local governing bodies. In addition, section 4(2) of the Act defines a local governing body to include:

a body declared by the [Federal] Minister, on the advice of the relevant State Minister, by notice published in the *Gazette*, to be a local governing body for the purposes of this Act.

In addition to the Australian Capital Territory, 545 local governing bodies, including 10 declared local governing bodies made eligible under section 4(2), received funding under the Financial Assistance Grant program in 2022–23 (refer to Table 15).

Table 15 Distribution of local governing bodies, by type and jurisdiction

Type	NSW[c]	Vic	Qld	WA	SA[d]	Tas	NT[e]	Total
Local governments[a]	128	79	77	137	68	29	17	535
Declared local governing bodies[b]	3	–	–	–	6	–	1	10
Total	**131**	**79**	**77**	**137**	**74**	**29**	**18**	**545**

Notes:

a. These are local governing bodies eligible under paragraph 4(2)(a) of the *Local Government (Financial Assistance) Act 1995 (Cth)*.

b. These are declared local governing bodies under paragraph 4(2)(b) of the *Local Government (Financial Assistance) Act 1995 (Cth)*.

c. Includes Lord Howe Island, Silverton and Tibooburra.

d. Includes the Outback Communities Authority.

e. Includes the Northern Territory Roads Trust Account.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Methodologies of Local Government Grants Commissions

Local Government Grants Commissions each have their own methodology for allocating funds to local government in their jurisdiction.

When allocating the general purpose component, Local Government Grants Commissions assess the amount each local government would need to be able to provide a standard range and quality of services while raising revenue from a standard range of rates and other income sources. The Local Government Grants Commissions then develop recommendations that consider each local governing body's assessed need. The recommended allocation of the local road component is based on the Local Government Grants Commissions' assessment of the local governing bodies' road expenditure needs. Local Government Grants Commissions are required to make their recommendations in line with the National Principles (refer to Appendix A).

A detailed description of each Local Government Grants Commission's methods can be found in Appendices B and C and at the internet addresses in Figure 4.

Figure 4 Internet addresses for Local Government Grants Commissions

New South Wales
https://www.olg.nsw.gov.au/commissions-and-tribunals/#lggc

Victoria
https://www.localgovernment.vic.gov.au/council-funding-and-grant/victoria-grant-commission

Queensland
https://www.statedevelopment.qld.gov.au/local-government/governance/queensland-local-government-grant-commission

Western Australia
https://www.dlgsc.wa.gov.au/local-government/local-governments/boards-and-commissions#grants

South Australia
https://www.agd.sa.gov.au/local-government/grant-commission

Tasmania
https://www.treasury.tas.gov.au/state-grant-commission

Northern Territory
https://cmc.nt.gov.au/supporting-government/local-government/local-government-funding/grants-commission

Allocations to local government in 2022–23

The Federal Minister agreed to the allocations of funding under the Financial Assistance Grant program to local governing bodies for 2022–23, as recommended by Local Government Grants Commissions through state and Northern Territory ministers. Appendix D contains the final entitlements for 2022–23.

Table 16 provides the average general purpose allocation per capita, provided to local governing bodies, by jurisdiction and by their classification within the Australian Classification of Local Governments. The average local road component per kilometre, provided to local governing bodies, by jurisdiction and by classification within the Australian Classification of Local Governments, is outlined in Table 17.

The results in these tables suggest there are some differences in outcomes between jurisdictions. Notwithstanding the capacity of the Australian Classification of Local Governments classification system to group similar local governing bodies, it should be noted that considerable scope for divergence within these categories remains. This divergence can occur because of a range of factors including isolation, population distribution, local economic performance, population changes, age of population and geographic differences.

Table 16 Average general purpose component per capita to councils 2022–23 by jurisdiction

Classification	NSW	Vic	Qld	WA	SA	Tas	NT	Average
Urban Capital City (UCC)	23.79	23.68	23.84	24.03	24.02	23.61	23.85	23.82
Urban Developed Small (UDS)	26.02	n/a	n/a	24.03	24.02	n/a	n/a	24.54
Urban Developed Medium (UDM)	24.90	24.53	n/a	24.03	24.02	n/a	n/a	25.08
Urban Developed Large (UDL)	23.79	28.95	n/a	24.03	30.01	n/a	n/a	27.70
Urban Developed Very Large (UDV)	46.98	34.22	23.84	24.03	n/a	n/a	n/a	36.04
Urban Regional Small (URS)	168.14	228.45	1,925.42	122.60	190.81	76.48	135.14	187.03
Urban Regional Medium (URM)	105.44	197.53	102.32	68.45	n/a	22.98	n/a	103.87
Urban Regional Large (URL)	92.36	135.94	31.19	n/a	n/a	n/a	n/a	54.98
Urban Regional Very Large (URV)	74.70	128.12	23.84	n/a	n/a	n/a	n/a	59.44
Urban Fringe Small (UFS)	n/a	154.37	69.86	24.03	76.10	101.30	26.06	71.14
Urban Fringe Medium (UFM)	39.71	74.94	32.40	28.73	75.60	n/a	n/a	52.71
Urban Fringe Large (UFL)	106.62	49.99	23.84	24.03	n/a	n/a	n/a	38.13
Urban Fringe Very Large (UFV)	39.62	67.08	23.84	24.03	39.05	n/a	n/a	46.73
Rural Significant Growth (RSG)	n/a	95.13	184.12	58.39	n/a	n/a	n/a	68.54
Rural Agricultural Small (RAS)	531.78	n/a	n/a	1,576.70	840.20	447.03	n/a	1,005.74
Rural Agricultural Medium (RAM)	1,075.64	n/a	760.49	290.69	322.25	225.59	n/a	439.36
Rural Agricultural Large (RAL)	534.35	665.84	125.16	483.93	326.76	198.26	n/a	349.44
Rural Agricultural Very Large (RAV)	324.06	286.92	233.90	286.26	155.06	109.47	26.73	217.35
Rural Remote Extra Small (RTX)	1,046.14	n/a	14,612.24	12,569.12	810.67	n/a	92.14	6,314.37
Rural Remote Small (RTS)	n/a	n/a	12,836.29	2,730.42	n/a	n/a	224.60	1,757.03
Rural Remote Medium (RTM)	2,935.15	n/a	4,299.70	1,689.78	543.88	854.96	224.00	1,423.95
Rural Remote Large (RTL)	1,180.02	n/a	2,008.57	437.29	638.82	n/a	n/a	682.56
Total $ per person	**79.30**	**78.95**	**79.47**	**80.10**	**80.08**	**77.56**	**81.29**	**79.32**

Notes: n/a = not applicable.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Table 17 Average local road component per kilometre to councils 2022–23 by jurisdiction

Classification	NSW	Vic	Qld	WA	SA	Tas	NT	Average
Urban Capital City (UCC)	5,394.81	3,484.02	2,721.06	4,021.53	2,642.16	6,207.85	4,069.77	3,115.47
Urban Developed Small (UDS)	3,549.65	n/a	n/a	2,633.28	2,828.47	n/a	n/a	2,848.65
Urban Developed Medium (UDM)	3,772.51	2,235.36	n/a	2,608.54	2,610.56	n/a	n/a	2,882.63
Urban Developed Large (UDL)	3,651.35	1,956.48	n/a	2,603.25	2,549.61	n/a	n/a	2,516.09
Urban Developed Very Large (UDV)	3,191.59	2,038.81	1,916.95	2,495.66	n/a	n/a	n/a	4,112.63
Urban Regional Small (URS)	2,040.39	1,461.49	911.04	1,838.88	1,591.19	4,017.29	2,749.84	1,389.39
Urban Regional Medium (URM)	2,376.87	1,561.62	975.59	1,645.18	n/a	4,739.85	n/a	1,702.55
Urban Regional Large (URL)	2,538.06	1,722.17	1,193.61	n/a	n/a	n/a	997.24	1,267.75
Urban Regional Very Large (URV)	2,741.20	1,620.59	2,372.11	n/a	n/a	n/a	n/a	2,132.42
Urban Fringe Small (UFS)	n/a	1,786.84	1,282.86	2,179.24	1,973.59	3,347.47	3,620.22	2,002.53
Urban Fringe Medium (UFM)	2,435.80	1,956.86	1,201.06	2,282.48	1,928.27	n/a	n/a	2,016.65
Urban Fringe Large (UFL)	2,177.64	1,861.35	1,714.16	2,458.65	n/a	n/a	n/a	1,986.27
Urban Fringe Very Large (UFV)	2,824.99	2,080.62	1,531.88	2,549.18	2,470.59	n/a	n/a	2,308.58
Rural Significant Growth (RSG)	n/a	1,703.85	1,546.28	1,955.59	n/a	n/a	n/a	1,878.05
Rural Agricultural Small (RAS)	1,301.58	n/a	n/a	810.09	426.28	3,718.18	n/a	721.80
Rural Agricultural Medium (RAM)	1,277.35	n/a	1,007.76	1,100.41	403.59	2,923.40	n/a	963.72
Rural Agricultural Large (RAL)	1,378.62	964.29	1,187.09	1,268.84	471.19	3,160.66	n/a	1,094.54
Rural Agricultural Very Large (RAV)	1,511.10	1,403.04	1,187.84	1,041.35	535.42	3,072.06	4,168.28	1,231.00
Rural Remote Extra Small (RTX)	n/a	n/a	802.03	658.52	212.51	n/a	2,126.28	695.94
Rural Remote Small (RTS)	n/a	n/a	865.12	812.70	n/a	n/a	1,508.43	897.29
Rural Remote Medium (RTM)	1,187.49	n/a	872.59	898.83	59.32	2,573.40	1,589.02	801.65
Rural Remote Large (RTL)	1,212.59	n/a	906.98	1,199.25	n/a	n/a	n/a	980.01
Total $ per kilometre	**1,782.75**	**1,405.58**	**1,132.29**	**1,088.96**	**637.89**	**3,383.83**	**1,616.89**	**1,366.86**

Note: n/a = not applicable.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Local governing bodies on the minimum grant

Local governing bodies that receive the minimum grant entitlement generally fall within the capital city, urban developed or urban fringe classifications, as described in the Australian Classification of Local Government. Local governing bodies on the minimum grant are identified with a 'Yes' in Appendix D. Table 18 provides details on local governing bodies on the minimum grant by jurisdiction, from 2013–14 to 2022–23. The per capita grant to minimum grant councils in 2022–23 was between $23.15 and $24.54.

The proportion of the population covered by local governing bodies on the minimum grant varies between jurisdictions. In 2022–23, the proportion ranged from 35.6 per cent in New South Wales to 75.5 per cent in Western Australia. This generally reflects the degree of concentration of a jurisdiction's population in their capital city. Variations can also arise because of a local government's geographic structuring and differences in the methods used by Local Government Grants Commissions.

In 2022–23, the proportion of the general purpose grant that went to local governing bodies on the minimum grant was 15.0 per cent nationally. It varied from 10.7 per cent in New South Wales to 22.7 per cent in Western Australia.

Local Government Grants Commissions determine the level of assistance that each local governing body requires to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the jurisdiction. In doing this, they consider the revenue-raising ability and expenditure requirements of each local governing body in the jurisdiction. Where a local governing body is on the minimum grant, its Local Government Grants Commission has determined that it requires less assistance to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the jurisdiction.

Over the past decade, the percentage of the population in minimum grant councils increased from 43.1 per cent in 2013–14 to 49.8 per cent in 2022–23. This results in an increase in the per capita grant to non-minimum grant local governments relative to that of minimum grant local governments. This trend is consistent with the National Principle for horizontal equalisation (refer to Appendix A).

Table 18 Councils on the minimum grant, by jurisdiction, 2013–14 to 2022–23

Jurisdiction	*Minimum Grant Criteria*	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23
NSW	$ general purpose	508,608,083	508,237,232	506,290,484	496,242,780	524,987,494	540,182,065	560,313,297	574,864,141	597,919,978	649,355,484
NSW	$ to minimum grant councils	41,044,913	42,527,921	47,455,907	38,241,165	46,060,914	50,918,751	51,145,637	52,714,034	53,567,444	69,363,960
NSW	% to minimum grant councils	8.1	8.4	9.4	7.7	8.8	9.4	9.1	9.2	9.0	10.7
NSW	Population per jurisdiction	7,289,779	7,409,856	7,508,849	7,664,575	7,726,426	7,860,546	7,987,727	8,089,357	8,167,137	8,188,301
NSW	Population for minimum grant councils	1,960,961	2,066,788	2,343,212	1,915,270	2,259,648	2,469,834	2,430,406	2,472,596	2,438,973	2,915,570
NSW	% of population in minimum grant councils	26.9	27.9	31.2	25.0	29.0	31.4	30.4	30.6	29.9	35.6
NSW	Minimum grant councils/No. LGBs	23/155	24/155	26/155	18/131	20/131	19/131	17/131	18/131	16/131	18/131
Vic	$ general purpose	393,135,181	393,289,960	394,880,592	405,256,954	415,741,109	434,192,830	453,351,692	469,590,926	487,686,273	524,910,843
Vic	$ to minimum grant councils	33,555,381	33,587,740	33,799,568	34,701,187	35,498,178	38,231,258	48,123,311	50,083,727	51,772,998	58,497,831
Vic	% to minimum grant councils	8.5	8.5	8.6	8.6	8.5	8.8	10.6	10.7	10.6	11.1
Vic	Population per jurisdiction	5,632,519	5,739,228	5,841,632	5,937,462	6,069,627	6,323,598	6,460,628	6,595,983	6,696,612	6,649,007
Vic	Population for minimum grant councils	1,600,743	1,633,808	1,664,977	1,694,716	1,727,523	1,856,004	2,285,987	2,344,959	2,369,718	2,469,959
Vic	% of population in minimum grant councils	28.4	28.5	28.5	28.5	28.5	29.4	35.4	35.6	35.4	37.1
Vic	Minimum grant councils /No. LGBs	13/79	13/79	13/79	13/79	13/79	13/79	16/79	16/79	16/79	17/79
QLD	$ general purpose	319,028,016	319,083,531	318,749,890	317,752,529	328,799,275	338,163,013	351,558,988	360,862,742	382,843,997	414,587,248
QLD	$ to minimum grant councils	65,533,567	65,766,311	65,795,193	69,679,193	72,398,267	75,235,151	78,568,609	80,939,055	86,128,844	93,365,135
QLD	% to minimum grant councils	20.5	20.6	20.6	21.9	22.0	22.2	22.3	22.4	22.5	22.5
QLD	Population per jurisdiction	4,556,416	4,653,008	4,718,591	4,774,888	4,839,261	4,924,324	5,006,976	5,090,177	5,171,741	5,216,677
QLD	Population for minimum grant councils	3,138,148	3,196,772	3,246,648	3,490,246	3,551,854	3,651,910	3,729,968	3,805,640	3,878,308	3,915,989
QLD	% of population in minimum grant councils	68.9	68.7	68.8	73.1	73.4	74.2	74.5	74.8	75.0	75.1
QLD	Minimum grant councils /No. LGBs	8/77	9/77	9/77	10/77	10/77	10/77	10/77	10/77	10/77	10/77
WA	$ general purpose	171,319,297	172,194,345	173,592,719	165,885,062	176,085,070	176,932,279	182,242,603	185,450,564	203,050,148	214,840,741
WA	$ to minimum grant councils	38,760,735	39,026,105	38,981,399	35,870,819	4,128,1872	42,043,137	41,528,520	43,235,533	46,029,933	48,688,291
WA	% to minimum grant councils	22.6	22.7	22.5	21.6	23.4	23.8	22.8	23.3	22.7	22.7
WA	Population per jurisdiction	2,430,252	2,519,321	2,577,840	2,590,259	2,617,074	2,580,354	2,595,192	2,621,509	2,663,561	2,682,257
WA	Population for minimum grant councils	1,832,803	1,903,262	1,920,784	1,871,379	2,047,990	2,043,836	1,971,264	2,036,750	2,012,697	2,026,222
WA	% of population in minimum grant councils	75.4	75.5	74.5	72.2	78.3	79.2	76.0	77.7	75.6	75.5
WA	Minimum grant councils/No. LGBs	31/138	31/138	31/138	29/137	31/137	32/137	31/137	30/137	30/137	30/137

Jurisdiction	Minimum Grant Criteria	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23
SA	$ general purpose	115,072,530	114,528,245	113,431,086	112,980,736	115,773,190	118,284,887	121,948,136	123,908,060	133,702,618	142,014,136
SA	$ to minimum grant councils	18,042,090	17,154,972	16,990,531	17,610,038	17,798,588	18,040,646	18,290,129	19,380,213	20,104,960	21,649,022
SA	% to minimum grant councils	15.7	15.0	15.0	15.6	15.4	15.3	15.0	15.6	15.0	15.2
SA	Population per jurisdiction	1,654,778	1,670,827	1,685,714	1,685,714	1,708,135	1,723,548	1,736,422	1,751,963	1,770,375	1,773,396
SA	Population for minimum grant councils	864,995	834,042	841,721	874,193	875,484	876,093	868,139	913,389	887,249	901,173
SA	% of population in minimum grant councils	52.3	49.9	49.9	51.9	51.3	50.8	50.0	52.1	50.1	50.8
SA	Minimum grant councils/No. LGBs	18/74	17/74	17/74	17/74	17/74	17/74	16/74	17/74	16/74	17/74
Tas	$ general purpose	35,487,132	35,201,332	34,554,111	34,214,228	34,954,441	35,800,944	37,121,818	37,876,570	42,454,990	44,049,181
Tas	$ to minimum grant councils	5,219,534	5,182,417	5,091,852	5,049,338	5,168,245	5,327,655	5,554,515	5,671,142	5,214,903	6,537,546
Tas	% to minimum grant councils	14.7	14.7	14.7	14.8	14.8	14.9	15.0	15.0	12.3	14.8
Tas	Population per jurisdiction	512,019	513,159	514,762	516,586	519,063	520,877	528,201	534,457	540,536	567,909
Tas	Population for minimum grant councils	251,030	251,828	252,849	254,126	255,823	258,378	263,448	266,742	221,309	282,434
Tas	% of population in minimum grant councils	49.0	49.1	49.1	49.2	49.3	49.6	49.9	49.9	40.9	49.7
Tas	Minimum grant councils/No. LGBs	5/29	5/29	5/29	5/29	5/29	5/29	5/29	5/29	4/29	5/29
NT	$ general purpose	16,449,092	16,573,314	15,930,250	16,170,566	16,560,517	16,925,686	17,283,550	17,343,582	18,483,871	19,662,577
NT	$ to minimum grant councils	2,889,253	2,938,751	2,939,595	2,918,549	3,005,630	3,142,263	3,229,753	3,241,234	2,530,799	2,688,599
NT	% to minimum grant councils	17.6	17.7	18.5	18.0	18.1	18.6	18.7	18.7	13.7	13.7
NT	Population per jurisdiction	227,963	233,399	231,833	237,252	238,271	239,151	238,475	237,385	238,455	241,891
NT	Population for minimum grant councils	133,471	137,953	140,441	142,735	144,149	147,995	148,545	147,878	108,018	109,575
NT	% of population in minimum grant councils	58.6	59.1	60.6	60.2	60.5	61.9	62.3	62.3	45.3	45.3
NT	Minimum grant councils/No. LGBs	5/16	5/18	5/18	5/18	5/18	4/18	4/18	5/18	3/18	3/18
Australia	$ general purpose	1,559,099,331	1,559,107,959	1,557,429,132	1,548,502,855	1,612,901,096	1,688,712,055	1,723,820,084	1,769,896,585	1,866,141,875	2,009,420,210
Australia	$ to minimum grant councils	205,045,473	206,184,217	211,054,045	204,070,289	221,211,694	232,938,861	246,440,474	255,264,938	265,349,881	300,790,384
Australia	% to minimum grant councils	12.7	13.2	13.6	13.2	13.7	13.8	14.3	14.4	14.2	15.0
Australia	Population per jurisdiction	22,303,726	22,738,798	23,079,221	23,406,736	23,717,857	24,588,635	24,553,621	24,920,831	25,248,417	25,319,438
Australia	Population for minimum grant councils	9,782,151	10,024,453	10,410,632	10,242,665	10,862,471	11,304,050	11,697,757	11,987,954	11,916,272	12,620,922
Australia	% of population in minimum grant councils	43.1	44.1	45.1	43.8	45.8	46.0	47.6	48.1	47.2	49.8
Australia	Minimum grant councils/No. LGBs	97/568	104/570	106/570	97/545	97/545	100/545	99/545	101/545	95/545	100/545

Notes: The Northern Territory Road trust is not included as it does not receive an allocation under the general purpose component.
LGBs = local governing bodies.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Comparing councils

Local Government Grants Commissions in each state and the Northern Territory use different methodologies to allocate funding to each local governing body in their jurisdiction to best meet their unique circumstances while adhering to the requirements of the National Principles and the Act.

Comparing a council's grant allocation, both within and across jurisdictions, with other councils of similar size is problematic due to the considerable divergence in methodologies used by each Local Government Grants Commission.

Local Government Grants Commissions implicitly determine a ranking for each council in their jurisdiction on the basis of relative need when they allocate the general purpose grant and the local road grant to councils. An analysis of the grant per capita for the general purpose component can be used to compare relative need (Appendix E). Appendix E also shows the local road grant, where allocations for each council are divided by their length of local roads to obtain a relative expenditure needs measure.

Councils are ranked from the greatest assessed relative need to the least assessed relative need. For each state and the Northern Territory, the positions and values of the average general purpose grant per capita and the average local road grant per kilometre are also shown at the top of the ranking of councils.

Impact of Local Government Grants Commission capping policies

Year-to-year variations in the data that Local Government Grants Commissions use to determine their allocations to local governments can lead to significant fluctuations in the funding provided to individual local governing bodies. Changes in Local Government Grants Commission methodologies to improve allocations, most likely to achieve horizontal equalisation, can also lead to fluctuations. As unexpected changes in annual funding allocations can impede efficient planning by local governments, Local Government Grants Commissions have adopted policies to ensure that changes are not unacceptably large from one year to the next.

Many Local Government Grants Commissions average the data of several years to reduce fluctuations. Nevertheless, policies to limit changes, by capping increases or decreases in grant, may be used to limit year-to-year variations.

The minimum grant principle does not operate to cap or limit increases in a council's general purpose allocation to an amount above the legislated minimum amount for the current year.

A Local Government Grants Commission can determine that a council receive an increase or a decrease in funding beyond the caps implemented to address exceptional circumstances.

Reviews of Local Government Grants Commission methodologies

While the 2001 Commonwealth Grants Commission review of the operations of the Act did not result in any changes to the Act, it did reinforce the need for regular review of the methodologies used by Local Government Grants Commissions to achieve consistency with the principles of relative need, other grant support and Aboriginal and Torres Strait Islander peoples (Commonwealth Grants Commission 2001).

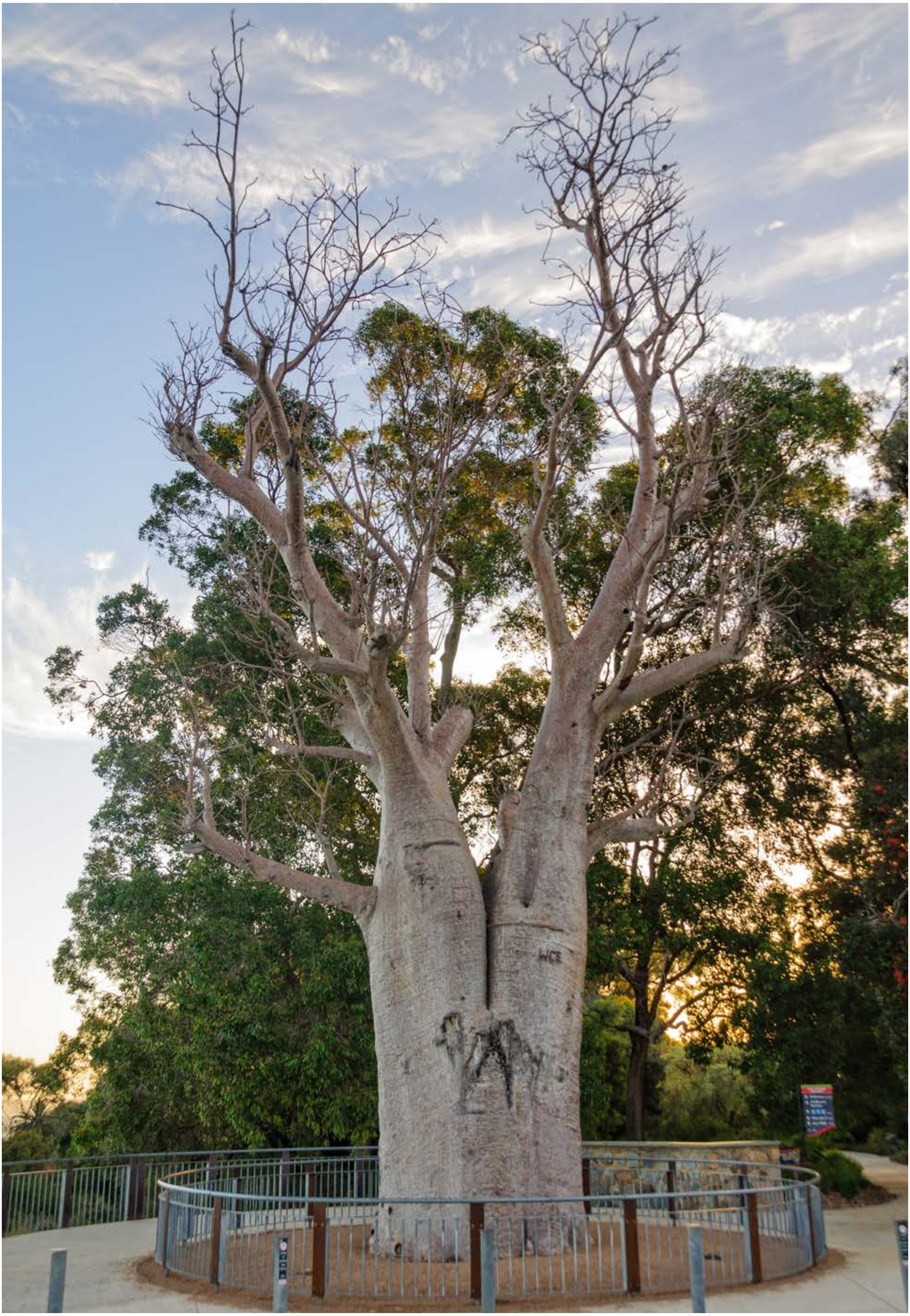
Local Government Grants Commissions monitor outcomes and refine aspects of their allocation methodologies to be in line with the National Principle requirements of the Act. From time to time Local Government Grants Commissions undertake reviews of their methodologies.

Since the Act commenced in July 1995, all Local Government Grants Commissions have undertaken major reviews of their methodologies (refer to Table 19).

Table 19 Status of most recent major methodology reviews by state, as at 30 June 2023

State	***General purpose grant***	***Local road grant***
NSW	Most recent major review conducted between 2014–2018. No major changes to the methodology were implemented in 2022–23.	No major changes to the methodology were implemented in 2022–23.
Vic	Most recent major review conducted in 2016–17. No significant alterations to the methodology were implemented in 2022–23.	Most recent major review was conducted in 2012–13. No significant alterations to the methodology were made in 2022–23.
Qld	Most recent major review was undertaken in 2021 with the new methodology implemented over a three-year transition period from 1 July 2022. The new methodology focuses on revenue raising capacity rather than a fiscal capacity approach. Refer to Appendix B for more detail.	Most recent major review was undertaken in 2021 with the new methodology implemented over a three-year transition period from 1 July 2022. Refer to Appendix B for more detail.
WA	Most recent major review was implemented in 2012–13. No major refinements to the methodology were implemented in 2022–23.	Most recent major review was implemented in 2012–13. No major refinements to the methodology were implemented in 2022–23.
SA	Most recent major review was completed in June 2013. No major changes to the methodology were implemented in 2022–23. The Commission resolved to remove the allowance provided for non-resident use.	Most recent major review was completed in June 2013. No major changes to the methodology were implemented in 2022–23.
Tas	Most recent major review commenced in 2021 and is ongoing. No major changes to the methodology were implemented in 2022–23. For 2022–23, the Commission removed the population decline cost adjustor and changed their caps and collars range to be 0 to +10 per cent.	Most recent major review commenced in 2021 and is ongoing. No major changes to the methodology were implemented in 2022–23.
NT	Most recent major review was completed in 2012–13. No major changes to the methodology were implemented in 2022–23.	Most recent major review was conducted in 2012–13. No major changes to the methodology were implemented in 2022–23.

Source: Submissions provided by jurisdictions to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.



03
Local government efficiency and performance

Under section 16 of the *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act), an annual report must be presented to the Commonwealth Parliament on the operations of the Act. The report must include an assessment of the performance of local governments, including their efficiency, based on comparable national data.

Previous Local Government National Reports have identified the difficulty of basing an assessment on comparable national data, due in large part to the different arrangements each jurisdiction has to collect and report on local government performance.

Each year jurisdictions are asked to report on measures undertaken to improve local government efficiency and performance. Further details on the summary of measures provided can be found in Appendix B.

Developments in long-term financial and asset management plans

Jurisdictions were asked to report on developments in the use of long-term financial and asset management plans by local government during 2022–23. A summary of the progress for each jurisdiction follows.

Local councils in **New South Wales** continue to report under an Integrated Planning and Reporting (IP&R) framework that drives their strategic planning, including long-term financial and asset management planning. The main components of the IP&R framework are: a community strategic plan with a 10-year-plus timeframe; a resourcing strategy; a delivery program; an operational plan; and an annual report. Since 4 June 2022, NSW councils are required to have an Audit Risk and Improvement Committee to assist councils in managing finances and assets. In addition, the NSW Office of Local Government provides training materials that cover a range of topics including IP&R, strategic planning, financial reporting, financial management, professional development and risk management.

In **Victoria**, the *Local Government Act 2020* introduced legislative requirements for all Victorian councils to develop and adopt a 10-year Financial Plan and a 10-year Asset Plan. Both plans must be subject to community engagement, including deliberative engagement practices. The first Asset Plans under the new legislation took effect for the 2022–23 financial year meaning that all Victorian councils now have publicly available long-term plans for improving the alignment between managing their finances and their assets.

In **Queensland**, all local governments are required to have long-term financial forecasts and to prepare and adopt long-term asset management plans. In July 2023, the Auditor-General of Queensland tabled a report on improving asset management in local government. Individual local governments in Queensland continue to implement those recommendations where appropriate.

In 2022–23, the **Local Government Association of Queensland** (LGAQ) reported that the Auditor-General identified three primary pathways for councils to improve the quality of local decision-making, including: governance; asset information and reporting. The LGAQ Policy Statement reinforces the need of cooperative partnerships with Federal and State governments and emphasises the need for Queensland councils to maintain long-term financial forecasts spanning at least a decade, updated annually.

In **Western Australia**, the *Local Government Amendment Act 2023* (the Amendment Act) formalised the tiering of local governments in Western Australia to recognise the diversity of the local governments in the state. The Amendment Act will introduce a restructured service planning framework that will be centred around Council Plans. The Amendment Act is a part of the ongoing work to reform local government planning, budgeting and reporting, to create more transparency and reduce red tape for councils.

In 2022–23, the **Western Australian Local Government Association** (WALGA) produced its annual Report on Local Government Road Assets and Expenditure. The report provides information on the lengths and types of roads, paths and bridges and highlights trends in the data over the preceding five years. The statistical analysis and comparisons provide insight into the adequacy of funding and the difference between road preservation needs and current expenditure on road preservation.

Each of the 68 councils in **South Australia** is required, by section 122 of the *Local Government Act 1999 (SA)*, to develop and adopt a long-term financial plan and an infrastructure and asset management plan, each covering a period of at least 10 years.

The Essential Services Commission of South Australia (ESCOSA) has a new role in providing independent advice to councils on a four-yearly rotational basis in relation to a council's long-term financial plan, infrastructure and asset management plan, and revenue sources as outlined in the council's funding plan. ESCOSA provided its advice to the first 15 councils on 28 February 2023, and has published the advice on its website.

The **Local Government Association of South Australia** (LGASA) is undertaking a project in collaboration with the Institute of Public Works Engineering Australasia (IPWEA) aimed at enhancing asset management capacity and capability in the sector through the provision of a suite of thirteen information papers. In 2022–23, LGASA made available two papers relating to Lifecycle Management and Managing risk and resilience.

In **Tasmania**, the *Local Government Act 1993* requires all councils to prepare and maintain long-term financial management plans, financial management strategies, long-term strategic asset management plans, and asset management policies and strategies. The Tasmanian Office of Local Government continues to monitor councils' compliance with the requirements to maintain this set of financial and asset management documents.

On 20 January 2022, the Future of Local Government Review (the Review) commenced and the final report was delivered on 31 October 2023. The Review was undertaken to assess the design, role, and function of local government in Tasmania. The Review has indicated that Tasmania's current council system is having a significant and detrimental impact on councils' ability to deliver sustainable services and manage assets however, suggested structural reforms are intended to be voluntary and community-driven.

During 2022–23, councils in the **Northern Territory** adopted mandatory Guideline 5, issued under the *Local Government Act 2019* which was approved July 2022. The Guideline provides monthly and annual financial reporting mandatory templates that all councils in the Northern Territory must use, including for asset management.

In 2022–23, the **Australian Capital Territory (ACT)** government continued to support the Strategic Asset Management (SAM) program which provides financial assistance for agencies to establish SAM Plans for management of the Territory's assets. This program fosters better practice to increase the ACT's economic capacity, reduces future costs, and grows the city in a way that meets the changing needs of the ACT demographic and maintains current infrastructure.

In early 2022–23 the updated Capital Framework was launched and will be used from the 2023–24 Budget. Framework updated include transition to an online web-based platform, greater emphasis on agency collaboration, enhanced guidance for measuring project development and implementation, and new templates, tools and online training.

In 2012, the **Australian Local Government Association** (ALGA) established its National State of the Assets project to monitor and improve the performance and management of the infrastructure portfolio owned and operated by Australia's 537 councils. Successive National State of the Assets reports have highlighted the importance of continuous improvement in our systems to support our communities for the future – including helping councils invest in asset management training, technology and software enhancements, skills development, and information sharing.

Performance measures between local governing bodies

All local governments have a legal requirement to report on their performance under their jurisdiction's local government legislation. This may be in the form of annual reports, performance statements, financial statements and/or strategic planning reports.

While not all performance information is publicly available, some jurisdictions provide a comparative analysis of local governments within their jurisdiction. This information is collected either by the responsible agency or by the Local Government Grants Commissions.

For this Local Government National Report, state and territory governments and local government associations were asked to report on measures undertaken in 2022–23 to develop and implement comparative local government performance indicators. A summary of these reports for each jurisdiction follows.

In September 2019, the **New South Wales** Government launched the *Your Council* website which draws on data already collected by the Office of Local Government from NSW councils and other agencies and presents it in an easy to understand and user-friendly way. The website provides comprehensive statistics on the operations of NSW councils allowing benchmarking against the average for like councils and comparative performance measures across disciplines and years. In 2022–23, the NSW Government is continuing working with the local government sector to refine the local government performance measurement framework and ensure the robustness of financial risk assessments of councils' performance whilst incorporating non-financial information into performance assessments.

In **Victoria**, the Know Your Council website (www.knowyourcouncil.vic.gov.au), supported by Victoria's Local Government Performance Reporting Framework (LGPRF), requires all Victorian councils to annually collect and report their data against 58 performance indicators across 11 different service areas. On 3 November 2022, the 2021–22 data was released publicly with 4,765 users visiting the site in the first 72 hours. As well as comparing councils, users can view trend data in addition to reading commentary from council explaining the context of their performance results.

The provision of information by the **Queensland** Government Comparative Information Report continued in 2022–23. This report is an effective tool to assist councils in developing new and more efficient ways to deliver services. In 2022–23, the Queensland Government implemented a new local government sustainability framework. Councils in Queensland will need to report on new sustainability performance indicators in their 2023–24 financial statements.

In 2022–23, the **Local Government Association of Queensland** (LGAQ) provided a select series of comparative performance measures across several operational domain including; procurement; workforce; and Cost Index.

In **Western Australia**, the *Local Government Amendment Act 2023* has created more transparency requirements including Key Performance Indicators (KPIs) for Chief Executive Officers, new online registers and new requirements for ratepayer surveys for larger governments. The Western Australian Government's online portal, www.mycouncil.wa.gov.au, provides comparative data on how local governments are raising, spending and managing their money. The portal includes information about each local government's financial health using the Financial Health Indicator (FHI).

In 2022–23, the **Western Australian Local Government Association** (WALGA) participated in the Department of Local Government, Sport and Cultural Industries (DLGSC) review of the Financial Health Indicator (FHI) currently being used to help assess the financial performance of local government authorities (LGAs) in Western Australia.

In the review WALGA recommended that FHI's should be based on 4 financial ratios, as opposed to the previous 7 ratios. Work has been completed and awaiting approval from the Western Australia Minister for Local Government.

In **South Australia**, comparisons between councils on a wide range of data are facilitated by the annual publication by the Commission of annual database reports dating back to 1995–96, and are available at https://www.dit.sa.gov.au/local-government/grants-commission/publications#database.

Each year, the **Local Government Association of South Australia** (LGASA) assembles an update report providing the latest values, history and comparisons of key financial indicators for the local government sector.

In **Tasmania**, the Tasmanian Audit Office's annual *Auditor-General's Report on the Financial Statements of State Entities* considers council financial performance, including performance against a series of financial performance ratios. This suite of indicators, considered together, is intended to facilitate understanding of individual council performance and comparison between councils and categories of councils.

The Future of Local Government Review Secretariat publishes a council performance dashboard on that Review's website (https://www.futurelocal.tas.gov.au/council-data/). This dashboard will be developed into an ongoing public information tool and maintained beyond the Review's duration.

Throughout 2022–23, the **Northern Territory** developed new regulations and guidelines supporting the *Local Government Act 2019* which enable the comparison of performance between councils. This includes a mandatory reporting format and prescribed content to be used by all councils for their monthly financial reports and a standardised format for council budgets and long-term plans.

The **Australian Capital Territory** (ACT) Government does not currently undertake comparative performance measures with other local governments. However, the ACT Government does participate in the *Productivity Commission's Annual Report on Government Services* which provides information on the equity, efficiency and effectiveness of government services in Australia.

The Australian Local Government Association (ALGA) supports the availability of accurate, timely and consistent data to enable evidence-based research, planning and outcomes for local government policy and funding and, where possible, advocates for this approach in line with recommendations from Parliamentary research reports over many years.

Efficiency and effectiveness reforms

As part of their reports, jurisdictions were asked to provide information on 2022–23 reforms to improve the efficiency and effectiveness of local government service delivery. A summary for each jurisdiction follows.

Key reforms implemented by the **New South Wales** Government to strengthen and support the local government sector included:

- the NSW Independent Pricing and Regulatory Tribunal commenced its review of the local government rate peg method
- increasing commitment to building procurement and contract management skills in local government to strengthen sustainable procurement
- delivering up to date training to councillors and council staff, with 692 councillors utilising the learning and development services in 2022–23
- the introduction of the 2023 Local Government (State) Award followed consultation with councils and industry unions and will deliver more certainty surrounding future wage related costs and working conditions.

In **Victoria,** the following reforms occurred within the local government sector:

- The Rural Councils Transformation project continued, which aims to provides long-term sustainability for rural and regional councils in Victoria
- In 2022, the Victorian Government launched the Victorian Aboriginal and Local Government Strategy 2021–2026. The Strategy will help embed voices and priorities of Aboriginal communities at a local government level and in 2022–23, the Victorian Government committed $350,000 to support the strategy's implementation
- In 2022–23, the Victorian Government has commenced a number of gender equality focused programs to improve inclusivity and diversity in Victoria's Local Governments. This includes $1.8 million towards the *Women Leading Locally* program masterclass series.

The **Queensland** Government progressed the following reforms in 2022–23:

- In 2022–23, the Queensland Government continued its commitment to capacity building support to local governments. 623 councillors and council officers participated in the Capacity Building Program
- The Asset Management Advancement Project has continued into 2022–23. The initial information gathering phase has been completed with pilot surveys undertaken by 14 councils. This will inform asset management advancement activities and an associated program of works

- Review of the mandatory training completed by candidates in Queensland that are nominating for councillor or Mayor was completed and new online training has been launched in preparation for the 2024 local government elections.

In 2022–23, the **Local Government Association of Queensland** (LGAQ):

- The LGAQ has developed a procurement solution to support Queensland councils with the purchasing of essential goods and services, through its subsidiary Local Buy
- In 2022–23, LGAQ established the Rural and Remote Capacity Building Project which will provide targeted training to 24 councils that are disadvantaged when seeking to access essential training, due to their geographical location
- The local government First Start program continues to support employment through traineeships and apprenticeships under the Queensland Governments Skilling Queenslanders for Work initiative.

On 18 May 2023, the **Western Australian** *Local Government Amendment Act 2023* (the Act) received Royal Assent. The Act introduces a number of key reforms related to elections, optional preferential voting in local government elections, measures to increase transparency and accountability, and changes to the size and structure of councils. These reforms represent the biggest set of changes to local government in Western Australia in more than 25 years. More details are available in the state's submission in Appendix B. During 2022–23, the Western Australian Department of Local Government Sports and Cultural Industries provided education opportunities to the sector to build capacity through a series of webinars covering a wide range of topics and continued to provide advice and support via the LG Hotline which experienced a 143% increase in volume.

In 2022–23, the **Western Australian Local Government Association** (WALGA) continued to advocate for streamlined and effective regional collaboration to leverage economies of scale, combined resources and enhanced accountability though a Regional Subsidiaries shared services model. While legislation was enabled for Subsidiaries to be formed, subsequent regulations over regulated and no regional subsidiaries have been formed.

In 2022–23, the WA Government committed to enabling Regional Subsidiaries which aligns with WALGA's Advocacy Position – 'Regional Collaboration': Local Governments should be empowered to form single and joint subsidiaries, and beneficial enterprises. In addition, compliance requirements of Regional Councils should be reviewed and reduced.

Though the WALGA RoadWise program, Courtesy Speed Display Signs were made available to councils to promote safer streets and the LG Stars tool was developed to help councils assess the safety of their roads and prioritise road network investment.

In **South Australia**, the Local Government Research and Development Scheme continued as a primary source of funding for research in local government. From its inception in 1997 until 30 June 2023, the Scheme had approved over 780 projects, with approximately $35 million in approved funding.

In **Tasmania**, the Future of Local Government Review concluded following the Local Government Board providing its final report on 31 October 2023. The recommendations from the report were part of a holistic package of reform which will increase sector-wide capability by consolidating the delivery of effective and efficient services to all Tasmanians.

In the **Northern Territory**, a new $2.9 million Local Government Community Places for People grant was established by the department of the Chief Minister and Cabinet. The program will enable regional and shire councils to apply for funding to create more liveable spaces in their communities.

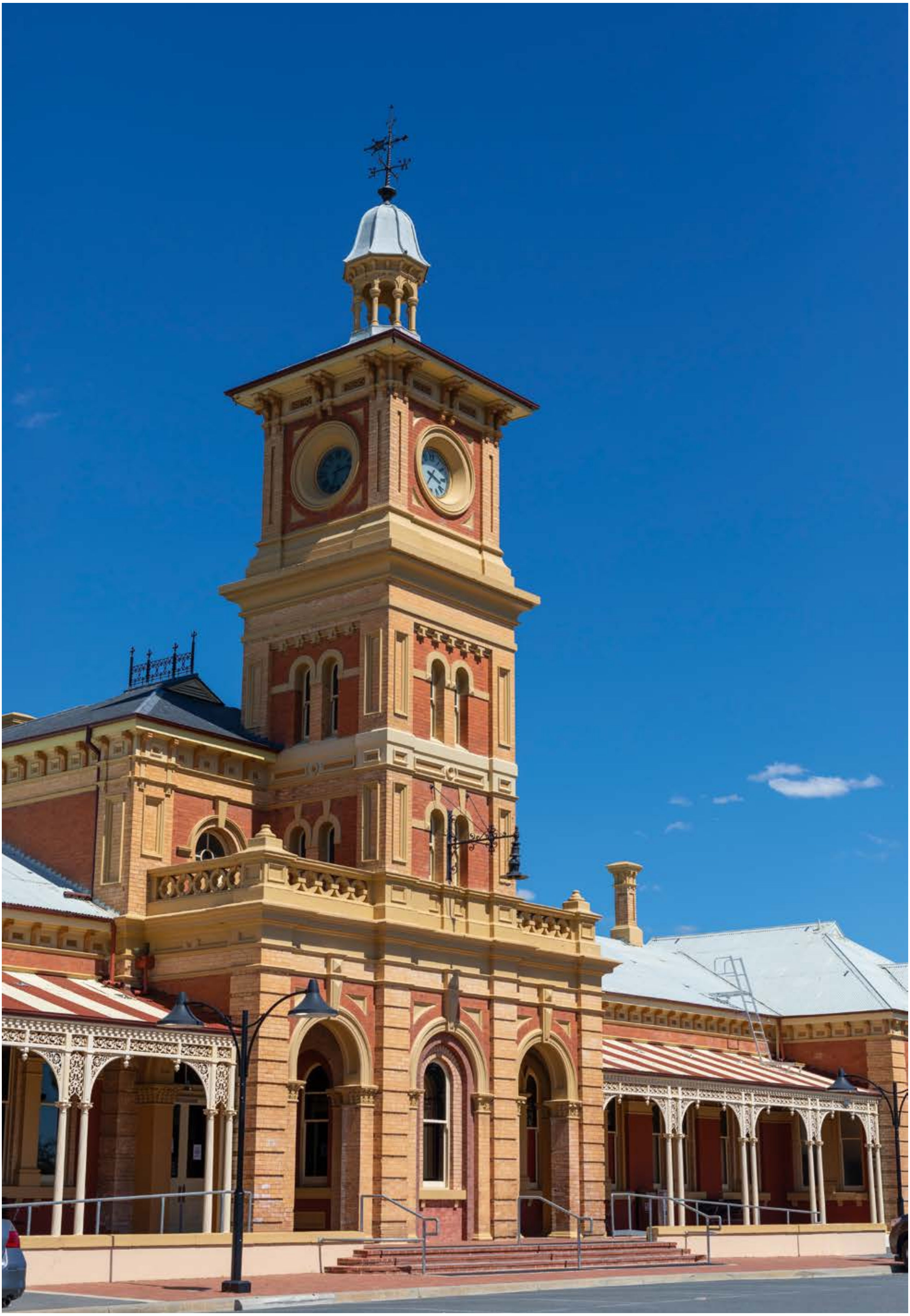
In 2022–23, the **Australian Capital Territory** (ACT) Government implemented a number of reforms to improve the efficiency and effectiveness of service delivery, including the following:

- Access Canberra undertook numerous reforms to improve service delivery including: recruiting additional concierge at each service centre, implementing a new appointment service for direct business engagement, and the continuation of the compulsory conciliation scheme under the *Fair Trading (Australian Consumer Law) Act 1992*
- Transport Canberra progressed work on the Zero Emission Transition Plan by successfully delivering the first 12 of the 106 new battery electric buses. In addition, Transport Canberra has commenced the planning and design of the necessary electrical infrastructure upgrades to support the charging of larger numbers of electric buses. Transport Canberra also completed the procurement for the transition to a new next generation ticketing MaaS (Mobility as a Service).

The **Australian Local Government Association** (ALGA) reported that many like-minded regional and remote-area councils have created voluntary groupings, or Regional Organisations of Councils (ROCs), to enable capacity building and resource-sharing. Similarly, some state and territory governments have pursued policies of council amalgamation as a strategy to pursue more efficient and effective service-delivery, to generate cost savings, and capture economies of scale.

Councils around Australia continue to embrace new technologies to improve their service delivery standards and broaden consultation and engagement with their local communities. The COVID pandemic experiences continue to encourage the adoption of digital technologies in local government. Many councils pivoted their in-person services to online channels so staff could continue to serve residents and ratepayers safely and these services remain today.

For local government there are some significant gains from coordinated approaches to Information Communication Technology (ICT), many of which state/territory associations are already leveraging. These include shared ICT and shared services, coordinated/joint procurement and the sharing of knowledge and approaches that deliver the best results.



04
Aboriginal and Torres Strait Islander communities

Reporting requirements

Aboriginal and Torres Strait Islander councils have been established under different legislative frameworks. They can be established under the mainstream local government legislation of a jurisdiction or through distinct legislation. They can also be ‘declared’ to be local governing bodies by the Australian Government Minister responsible for local government (the Federal Minister) on advice from a state or Northern Territory Minister for the purpose of providing funding under the Financial Assistance Grant program.

Section 16 of the Act requires an assessment, based on comparable national data, of the delivery of local government services to Aboriginal and Torres Strait Islander communities.

During 2022–23, all jurisdictions pursued initiatives to promote the delivery of local government services to Aboriginal and Torres Strait Islander communities. A summary of key initiatives is also provided later in this chapter with further details outlined in Appendix B.

Closing the Gap – a national picture

The Closing the Gap Annual Data Compilation Report is compiled by the Productivity Commission. It provides a point-in-time snapshot of progress under the National Agreement on Closing the Gap (the Agreement) signed in July 2020.

On 12 July 2023, the Productivity Commission released the third Annual Data Compilation Report.

The Agreement identifies 17 socioeconomic outcomes important to the rights, wellbeing and quality of life of Aboriginal and Torres Strait Islander people.

The third Annual Data Compilation Report shows only four of the 19 targets across the 17 socio-economic outcomes are on track to be met (preschool enrolment, youth detention, employment and land subject to Aboriginal and Torres Strait Islander people’s legal rights or interests).

Outcomes in four target areas are going backwards. Fewer children are developmentally on track when starting school, and the rates of children in out-of-home care, adults in prison and people dying by suicide have all increased.

Progress across the national targets has been limited. Of the 19 national targets, 15 had an assessment of progress, and of these only four were on track to be met with the remaining 11 ‘not on track’.

Of the 11 targets ‘not on track’, seven showed improvement however, these improvements need to accelerate for the target to be met.

For four targets, the data needed for assessing progress is not collected. For target community infrastructure, the data has not been collected for the starting point (baseline) or to provide updates on progress. For the other three targets (family violence, strength of languages and access to information), while data for the baseline is available, more recent data is not.

These results also need to be understood in context and considered with caution. Further information on Closing the Gap is available at https://www.pc.gov.au/closing-the-gap-data/annual-data-report/report.

State, territory and local government initiatives

The Office of Local Government (OLG) in **New South Wales** worked with Aboriginal Affairs NSW and Local Government NSW to develop a Closing the Gap Integrated Planning and Reporting (IP&R) template factsheet for councils. The template fact sheet guides councils on how they could incorporate activities contributing to priority reforms in the development of their community strategic plans and throughout their IP&R process.

Tamworth Regional Council has become the first NSW council to adopt a Closing the Gap Strategy and the OLG in NSW is working with them to develop a business case to support other councils to do the same.

The OLG previously engaged an Aboriginal consultancy to work with current First Nations councillors to identify short and longer-term strategies to increase the number of First Nations councillors in NSW. The report highlighted that future councillors would benefit from early targeted development of young First Nations people with leadership potential in areas such as governance, resilience, mentoring and peer learning.

The OLG commitment to addressing longer-term strategies, includes increasing Aboriginal employment in local government. The 2021 local government elections saw an increase in First Nations councillors.

The Victorian Aboriginal and Local Government Strategy 2021–2026 was launched in **Victoria** on 21 March 2022. The Strategy has been endorsed by a Steering Committee comprising members of the Victorian Aboriginal community, State Government officials and local government sector peak body representatives.

In 2022–23, Local Government Victoria continued to improve local government and Traditional Owner engagement strategies of current and future Recognition and Settlement Agreements. Efforts have focused on supporting the recently ratified Recognition and Settlement Agreement with the Barengi Gadjin Land Council Aboriginal Corporation and contributing to the monitoring and implementation of the Taungurung Clans Aboriginal Corporation Recognition and Settlement Agreement.

In 2022–23, the **Queensland** Government completed a review of the funding arrangements for its Indigenous councils. The review resulted in establishing the new Indigenous Councils Funding Program (ICFP) in 2023–24. Queensland councils continued to receive support through the Queensland Government's 2021–2024 Works for Queensland Program with $27.9 million allocated to 16 Indigenous councils. Delivery of projects under this round of funding will continue through to 30 June 2024. Thirteen priority infrastructure projects totaling $13.4 million were approved for ten Indigenous council areas under the Local Government Grants and Subsidies program. These projects are being delivered in the 2022–23 and 2023–24 financial years.

In June 2022, the **Local Government Association of Queensland** (LGAQ) continued to administer the Indigenous Capacity Building Project which has provided training to over 3,000 local government staff since its inception in 2015. LGAQ also developed a series of resources, including a Members Kit, to support Queensland local governments with community education and awareness of First Nations people and communities.

The LGAQ understands that First Nations councils are heavily relied upon by other spheres of government for consultation on Indigenous community matters. LGAQ continue to provide a range of services to support elected members and senior officers from First Nation communities, including access to advice, guidance and online tools in areas such as governance, compliance, industrial relations and disaster management.

The **Western Australian** Government's Implementation Plan is closely aligned with the Aboriginal Empowerment Strategy, which sets the WA Government's high-level strategic approach for working with Aboriginal people towards empowerment and better outcomes. The Western Australia Department of Local Government, Sports and Cultural Industries (DLGSC) is working with the State Government and local government to develop a state action/implementation plan.

In 2022, an Aboriginal Policy and Business Advisor position was established to lead and manage the development and implementation of the DLGSC's Reconciliation Action Plan, Aboriginal Empowerment Strategy Western Australia 2021–2029 and Closing the Gap WA Implementation Plans.

The **Western Australian Local Government Association** (WALGA) held its annual Aboriginal Reconciliation and Engagement Forum on 5 October 2022, which over 200 delegates attended. The annual event supports councils to provide strong leadership and grow collaborative partnerships necessary for positive change for Aboriginal communities at the local level.

WALGA also facilitated the WA Local Government Reconciliation Network meetings held approximately 5 times per year and provided a free cultural tour for all network members on 23 February 2023 to further support local government officers increase their cultural knowledge.

WALGA contributed $10,000 towards Nation Reconciliation Week (NRW) activation boxes that were distributed to all 139 Local Governments within Western Australia and co-hosted a community briefing on Thursday 30 March to support WALGA members maximise their NRW experience in their community.

WALGA continues to work with Local and State Government to assist the sector build knowledge and capability in Aboriginal heritage.

The **South Australian** Government continues to fund the provision of municipal services to Aboriginal communities outside of the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands. During 2022–23, $3.1 million was provided to deliver services including waste management, dog control and environmental health, road maintenance and water provision.

In support of the First Nations Voice to Parliament referendum, in 2022–23, the **Local Government Association of South Australia** (LGASA) liaised with the National Indigenous Australians Agency to ensure that SA councils had access to this suite of resources to share with their communities.

In **Tasmania**, under the *Closing the Gap Tasmanian Implementation Plan 2021–2023*, the Office of Local Government (OLG) in the Department of Premier and Cabinet completed a Local Government Aboriginal Audit (the Audit). The Audit identified a range of findings including; Formal partnerships and shared decision-making; Building the community-controlled sector; Transforming government organisations; and Shared access to data and information at a regional level. The OLG will work with Aboriginal Partnerships to use the information from the Audit and commence implementing initiatives which have been identified by the Aboriginal community as priorities for councils.

In 2022–23, **Northern Territory** grant funding totaling $8.6 million was allocated to nine regional councils and one shire council under the Indigenous Jobs Development Fund to assist with subsidising 50 per cent of the cost of employing Aboriginal staff within their respective councils. A further $3.7 million was allocated to the nine regional councils to assist with funding locally identified priority projects.

In 2022–23, the **Australian Capital Territory** (ACT) Government allocated almost $2.1 million of funding under the National Partnership Agreement on Family, Domestic and Sexual Violence to Family Domestic and Sexual Violence (FDSV) Grants. Over $1.1 million of grant funding from the FDSV Grants was awarded to programs providing services to Aboriginal and Torres Strait Islander people in the ACT.

In 2022–23, the ACT Government established and implemented a number of initiatives in relation to service delivery to Aboriginal and Torres Strait Islander communities which included:

- Canberra Health Services commenced a dedicated project to improve access for Aboriginal and Torres Strait Islander children on outpatient waitlists
- First Nations Justice Branch was established to provide a central team for First Nations Community consultation in the development and contract management of many of the justice related programs that are delivered to the ACT First Nations adult Community
- established the Care and Protection Legal Advocacy Service. The service, delivered by the Aboriginal Legal Service NSW/ACT, is designed to ensure that Aboriginal and Torres Strait Islander families have improved access to justice and are empowered to address their legal needs as required.

The **Australian Local Government of Australia** (ALGA) as a signatory to the Closing the Gap agreement, continues to pursue the objectives of this agreement through the Closing the Gap implementation plan. ALGA's commitment and objectives to be progressed in this implementation plan include:

- ensure local governments understand the agreement and its commitments and encourage its adoption by local governments;
- assist the state and territory governments to work with local governments in the implementation of this agreement; and
- support strengthened shared decision-making at the local level, supporting local governments to be part of partnerships with the federal, states, and territory governments and local Aboriginal and Torres Strait Islander Communities.

Appendix A
National Principles

Under section 3 of the *Local Government (Financial Assistance) Act 1995* (the Act), the Australian Government provides financial assistance for local government purposes by means of grants to the states and self-governing territories for the purpose of improving:

- the financial capacity of local governing bodies
- the capacity of local governing bodies to provide their residents with an equitable level of services
- the certainty of funding for local governing bodies
- the efficiency and effectiveness of local governing bodies
- the provision, by local governing bodies, of services to Aboriginal and Torres Strait Islander communities.

In determining allocations, local government grants commissions are required to make their recommendations in line with the National Principles. The National Principles are set out in Figure 5 and Figure 6. Figure 7 describes the horizontal equalisation National Principle in detail.

The main objective of having National Principles is to establish a nationally consistent basis for distributing financial assistance to local government under the Act. The Act includes a requirement (in section 6(1)) for the Australian Government Minister responsible for local government to formulate National Principles after consulting with jurisdictions and local government.

The formulated National Principles are a disallowable instrument under the Act. As such, any amendments, including the establishment of new principles, must be tabled in both Houses of the Australian Parliament before they can come into effect. Members and senators then have 15 sitting days in which to lodge a disallowance motion. If such a motion is lodged, the respective House has 15 sitting days in which to put and defeat the disallowance motion. If the disallowance motion is defeated, the amendment stands. If the disallowance motion is passed, the amendment will be deemed to be disallowed.

Figure 5 National Principles governing allocation by states and the Northern Territory among local governing bodies – general purpose

A. General purpose

The National Principles relating to allocations of the general purpose grants payable under section 9 of the *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act) among local governing bodies are as follows:

1. Horizontal equalisation

The general purpose component will be allocated to local governing bodies, as far as practicable, on a full horizontal equalisation basis as defined by the Act. This is a basis that ensures each local governing body in the state or territory is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the state or territory. It takes account of differences in the expenditure required by those local governing bodies in the performance of their functions and in the capacity of those local governing bodies to raise revenue.

2. Effort neutrality

An effort or policy neutral approach will be used to assess the expenditure requirements and revenue-raising capacity of each local governing body. This means, as far as practicable, that policies of individual local governing bodies in terms of expenditure and revenue effort will not affect the grant determination.

3. Minimum grant

The minimum general purpose allocation for a local governing body in a year will be not less than the amount to which the local governing body would be entitled if 30 per cent of the total amount of the general purpose grants to which the state or territory is entitled under section 9 of the Act in respect of the year, were allocated among local governing bodies in the state or territory on a per capita basis.

4. Other grant support

Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach.

5. Aboriginal and Torres Strait Islander peoples

Financial assistance shall be allocated to councils in a way that recognises the needs of Aboriginal and Torres Strait Islander peoples within their boundaries.

6. Council amalgamation

Where two or more local governing bodies are amalgamated into a single body, the general purpose grant provided to the new body for each of the four years following amalgamation should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities.

Figure 6 National Principles governing allocation by states and the Northern Territory among local governing bodies – identified local road

B. Identified local road

The National Principle relating to allocation of the amounts payable under section 12 of the Act (the identified road component of the financial assistance grant) among local governing bodies is as follows:

1. Identified road component

The identified road component of the financial assistance grants should be allocated to local governing bodies as far as practicable on the basis of the relative needs of each local governing body for roads expenditure and to preserve its road assets. In assessing road needs, relevant considerations include length, type and use of roads in each local governing area.

Figure 7 What is horizontal equalisation?

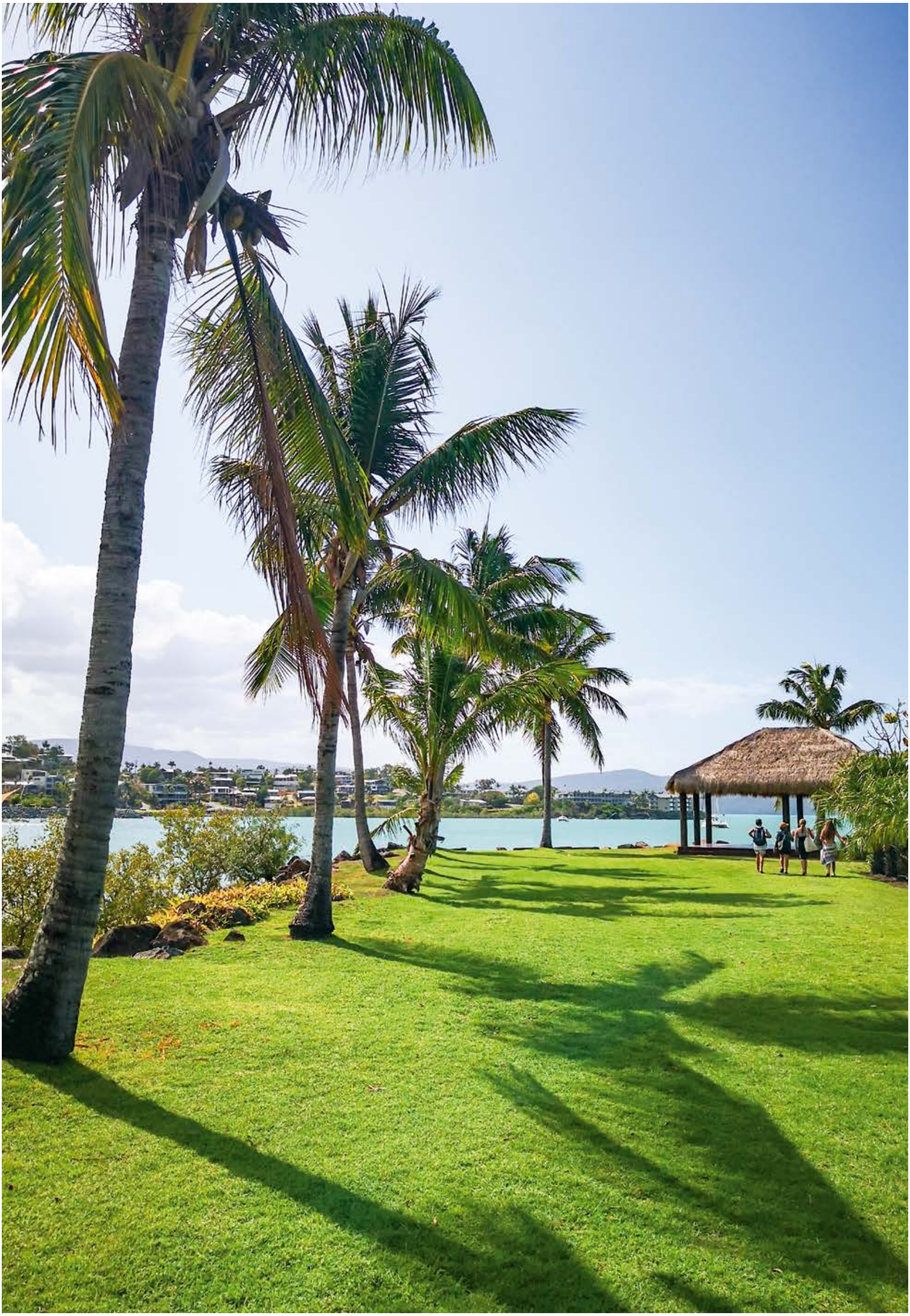
Horizontal equalisation would be achieved if every council in a state or territory, by means of reasonable revenue-raising effort, were able to afford to provide a similar range and quality of services. The Australian Government pursues a policy of horizontal equalisation when it distributes goods and services tax revenue to state and territory governments.

The *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act) requires the Minister, in formulating the National Principles, to have regard to the need to ensure that general purpose funds are allocated, as far as is practicable, on a full horizontal equalisation basis. Section 6(3) of the Act defines horizontal equalisation as being an allocation of funds that:

- ensures each local governing body in a state is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the state
- takes account of differences in the expenditure required to be incurred by local governing bodies in the performance of their functions and in their capacity to raise revenue.

Distribution on the basis of horizontal equalisation is determined by estimating the costs each council would incur in providing a normal range and standard of services and by estimating the revenue each council could obtain through the normal range and standard of rates and charges. The allocation is then altered to compensate for variations in expenditure and revenue to bring all councils up to the same level of financial capacity.

This means councils that would incur higher relative costs in providing normal services – for example in remote areas (where transport costs are higher) or areas with a higher proportion of elderly or pre-school aged people (where there will be more demand for specific services) – will receive relatively more grant money. Similarly, councils with a strong rate base (highly valued residential properties, high proportion of industrial and/or commercial property) will tend to receive relatively less grant money.



Appendix B
Jurisdictional submissions

B1 Report from the New South Wales Government

New South Wales methodology for distributing Financial Assistance Grants for 2022–23

The New South Wales Financial Assistance Grants have two grant components: the General Purpose Component (GPC) and the Local Roads Component (LRC).

General Purpose Component

The GPC attempts to equalise the financial capacity of councils, consistent with the Horizontal Fiscal Equalisation Principle. The Commission uses the direct assessment method. This approach assesses an individual council's relative cost disadvantage in the state in the provision of services on the one hand and relative capacity to raise revenue on the other.

Cost disadvantages in the provision of services (expenditure allowances)

Expenditure allowances are calculated for each council for 6 council services. The allowances attempt to compensate councils for expected above average costs resulting from issues that are beyond councils' control. To be consistent with the Effort Neutrality Principle, individual council policy decisions concerning the level of service provided, or if there is a service provided at all, are not considered.

The general formula for calculating the expenditure allowances is:

Number of units multiplied by standard cost multiplied by disadvantage factor

where:

- the number of units (population) is the measure of use for the service for the council
- the standard cost is the state average cost per unit for each of the selected services. The calculation is based on a state-wide average of councils' gross operational costs, using selected items from the Net Cost of Services data reported by councils, averaged over five years
- the disadvantage factor is the measure of relative disadvantage for the council.

A disadvantage factor is the Commission's estimate of the additional cost of providing a standard service due to inherent characteristics; factors that are beyond a council's control. For example, if it estimated that it would cost a council 20 per cent more than the state standard to provide recreational services, the disadvantage factor would be 20 per cent.

Disadvantage factors applied have been tested for materiality. The Commission has identified variables that are considered to be the most significant in influencing a council's expenditure on that particular service. A key disadvantage is a smaller population. A council may have a disability due to inherent factors such as smaller populations, higher Aboriginal and Torres Strait Islander populations, area of environmental land, rainfall, topography and drainage index score, and local road length.

In addition to disadvantage identified by the Commission, other disadvantages impacting individual councils, or a group of councils, may be determined. These may come to light where circumstances have been identified as a result of holding public hearings with councils or special submissions by councils. Currently, there are no individual cases of discretionary disadvantages except for councils eligible for the relative disadvantage allowance. However, the Commission does research issues raised by councils and tests the data, for example, the Socio-Economic Index For Areas (SEIFA), produced by the Australian Bureau of Statistics, before making a determination.

The general approach to calculating a disadvantage factor is to take each disability relating to a service and to apply the following formula:

$$\text{Disadvantage Factor} = \left(\frac{\text{Council Measure}}{\text{Standard Measure}}\right)^{\text{Weighting}} - 1$$

where:

- the council measure is the individual council's measure for the disadvantage being assessed against the state average measure
- the standard measure is the state average measure for the disadvantage being assessed
- the weighting is calculated to reflect the significance of the measure in terms of the expected additional cost to that function.

Negative scores are not calculated. That is, if the council score is less than the standard, a factor of zero is substituted. The factors calculated for each disadvantage are then added together to give a total disadvantage factor for the service.

Isolation Allowance

The Commission also calculates an allowance for councils outside the Sydney statistical division to recognise the additional cost of providing services due to isolation. The formula uses population, a council's distance from Sydney, distance from the nearest regional centre and a five-year rolling averaged additional expenditure.

The isolation allowance is calculated using a regression analysis model based on the additional costs of isolation and distances from Sydney and major regional centres. An additional component of the isolation allowance is included which specifically recognises the additional industrial relations obligations of councils in western New South Wales.

Pensioner Rebate Allowance

A pensioner rebate allowance is calculated to recognise a council's share of additional costs for compulsory pensioner rebates. Councils with higher proportions of ratepayers that qualify for eligible pensioner rebates are considered to be more disadvantaged than those with a lower proportion.

Revenue Allowances

Revenue allowances attempt to compensate councils for their relative lack of revenue-raising capacity. Property values are the basis for assessing revenue-raising capacity because rates, which are based on property values, are the principal source of councils' income. As part of the Commission's review, property values were tested and found to have a strong statistical relationship as a proxy for revenue-raising capacity. Importantly, property values are also considered to be a useful indicator of the relative economic strength of local areas.

The Commission's methodology compares land values per property for the council to a state average value and multiplies the result by a state average rate-in-the-dollar. The Commission uses valuation data that has been calculated to a common base date for all councils by the NSW Valuer-General. To reduce seasonal and market fluctuations in the property market, the valuations are averaged over three years.

The revenue allowance calculation assesses councils with low values per property as being disadvantaged and are brought up to the average (positive allowances), while councils with high values per property are assessed as being advantaged and are brought down to the average (negative allowances). That is, the theoretical revenue-raising capacity of each council is equalised against the state standard. The Commission's approach excludes the rating policies of individual councils (Effort Neutrality Principle).

Separate calculations are made for urban and non-urban properties. Non-rateable properties are excluded from the Commission's calculations because the calculations deal with relativities between councils, based on the theoretical revenue-raising capacity of each rateable property.

In developing the methodology, the Commission was concerned that use of natural weighting would exaggerate the redistributive effect of the average revenue standards. That is, the revenue allowances are substantially more significant than the expenditure allowances. This issue was discussed with the Australian Government and the agreed principles provide that '*revenue allowances may be discounted to achieve equilibrium with the expenditure allowances*' (refer to 'Principles'). As a result, both allowances are given equal weight.

The discounting helps reduce the distortion caused to the revenue calculations as a result of the property values in the Sydney metropolitan area. The objective approach to discounting revenue allowances reduces the extreme positives and negatives calculated but retains the established relativities between councils.

The Commission does not specifically consider rate pegging, which applies in New South Wales. The property-based calculations are essentially dealing with relativities between councils, and rate pegging affects all councils.

Movements in the GPC grant are generally caused by annual variations in property valuations, standard costs, disability measures and population.

The GPC upper limit was capped at a 5 per cent increase on the prior year's GPC and lower limit was capped at 0 per cent so no council received a reduced grant.

Factors excluded from the General Purpose Component calculations

Capital expenditure

The Commission does not consider councils' requirements for capital expenditure because of the practical and theoretical problems involved. In order to assess capital expenditure requirements, the Commission would have to undertake a survey of each council's infrastructure needs and then assess the individual projects for which capital assistance is sought. This would undermine council autonomy, because the Commission, rather than the council, would be determining which projects were worthwhile. Furthermore, councils that had failed to adequately maintain their assets could be rewarded at the expense of those that undertook sound asset management practices.

Water and sewerage services

The issue of funding for local water and sewerage undertakings was examined during the process of consultation between the Commission, the then Local Government and Shires Associations (the Associations), and local government generally.

The Associations and local government recommended to the Commission that water and sewerage services should not be included in the Financial Assistance Grants distribution principles because:

- not all general purpose councils in New South Wales perform such services
- the level of funds available for other council services would be significantly diminished if such services were considered
- inclusion would result in a reduced and distorted distribution of funds to general purpose councils
- the state government makes other sources of funds and subsidies available to councils for such services.

The Commission agreed and accordingly, water and sewerage services are excluded from the distribution formula.

The Commission views individual council income and losses from council business activities as a policy decision and, therefore, does not consider these in the grant calculations (Effort Neutrality Principle) and generally these services are provided on a cost recovery basis.

Council debt

Debt servicing is related to individual council policy and is therefore excluded from the Commission's calculations.

Council expenditure

The levels of a council's individual expenditure on a particular service do not affect a council's grants. Use of a council's expenditure is generally limited to determining a state standard cost for each selected service. The standard costs for these services are then applied to all councils in calculating their grants. What an individual council actually spends on a service has very little bearing on the standard cost or its grant.

Efficient councils

Efficient councils are rewarded by the effort neutrality approach to the calculations. To illustrate this, two councils with similar populations, road networks, property values, and disability measures would receive similar grants. The efficient council can use its grant funds to provide better facilities for its ratepayers. The inefficient council cannot provide additional services to its ratepayers.

Australian Classification of Local Governments

Council classifications within the Australian Classification of Local Governments have no bearing on the grants. Classifications simply provide a convenient method of grouping councils for analysis purposes.

Formulae

The formulae used to calculate expenditure and revenue allowances of the General Purpose Component are as follows:

Expenditure Allowances

Allowances for most services are calculated on the following general formula:

$$Ac = Nc \text{ multiplied by } Es \text{ multiplied by } Dc$$

where: Ac = allowance for the council for the expenditure service

Nc = number of units to be serviced by council

Es = standard expenditure per unit for the service

Dc = disadvantage for the council for the service in percentage terms.

Isolation Allowances

Isolation allowances are calculated for all non-metropolitan councils based on the formula:

$$Ac = Pc \times ([Dsc \times K1] + [Dnc \times K2] + Ic)$$

where: Ac = the isolation allowance for each council

Pc = the adjusted population for each council

Dsc = the distance from each council's administrative centre to Sydney

Dnc = the distance from each council's administrative centre to the nearest major regional centre (a population centre of more than 20,000)

Ic = the additional per capita allowance due to industrial award obligations (if applicable)

K1 and K2 are constants derived from regression analysis.

Specific Purpose Payments

Allowances for services are discounted, where appropriate, to recognise the contribution of specific purpose grants. The discount factor that generally applies is:

$$DF_{\text{Council, Expenditure Function}} = \frac{G_{\text{Council, Expenditure Function}}}{E_{\text{Council, Expenditure Function}}}$$

where: DF = the discount factor applied for each council for each expenditure function

G = the sum of all specific purpose grants received by the council for each expenditure function

E = the calculated standard cost for each expenditure function for each council.

Revenue Allowances

The general formula for calculating revenue allowances is:

$$Ac = Nc \times ts \times (Ts - Tc)$$

where: Ac = the revenue allowance for the council

Nc = the number of properties (that is, assessments)

lower case ts = the standard tax rate (as a rate-in-the-dollar)

upper case Ts = the standard value per property

upper case Tc = the council's value per property.

The standard value per property (upper case Ts) is calculated as follows:

upper case Ts = the sum of the rateable values for all councils divided by the sum of the number of properties for all councils.

The standard tax rate (lower case ts) is calculated as follows:

lower case ts = the sum of the net rates levied for all councils divided by the sum of the rateable values for all councils.

Pensioner Rebate Allowances

The general formula for the allowance to recognise the differential impact of compulsory pensioner rates rebates is:

$$Ac = Rc \times Nc \times (Pc - Ps)$$

where: Ac = the allowance for the council

Rc = the standardised rebate per property for the council

Nc = the number of residential properties

Pc = the proportion of eligible pensioner assessments for the council

Ps = the proportion of eligible pensioner assessments for all councils.

The standardised rebate for the council (Rc) is:

Rc = 0.25 multiplied by upper case Tc multiplied by lower case ts

where:	upper case Tc	=	the average value per residential property in the council
	lower case ts	=	the standard tax rate (as a rate-in-the-dollar) for residential properties.

The maximum value for Rc is set at $125. Upper case Tc and lower case ts are calculated as for the revenue allowances except only residential properties are used.

Principles

General Purpose (Equalisation) Component

These principles, consistent with the National Principles of the *Local Government (Financial Assistance) Act 1995 (Cth)*, are based on an extensive program of consultation with local government.

The agreed principles are:

1. General purpose grants to local governing bodies will be allocated as far as practicable on a full equalisation basis as defined in the *Local Government (Financial Assistance) Act 1995 (Cth)*; that is, a basis which attempts to compensate local governing bodies for differences in expenditure required in the performance of their functions and in their capacity to raise revenue
2. The assessment of revenue and expenditure allowances of local governing bodies will, as far as is practicable, be independent of the policy or practices of those bodies in raising revenue and the provision of services
3. Revenue-raising capacity will primarily be determined on the basis of property values; positive and negative allowances relative to average standards may be calculated
4. Revenue allowances may be discounted to achieve equilibrium with expenditure allowances
5. Each expenditure allowance is determined using recurrent cost; both positive and negative allowances relative to average standards may be calculated
6. Expenditure allowances are discounted to take account of specific purpose grants.

Local Roads Component

The method of allocating the local road component is based on a simple formula developed by the former New South Wales roads authority. The formula uses councils' proportion of the state's population, local road length and bridge length. Details of the formula are discussed under 'Principles'.

Financial assistance, which is made available as an identified local road component of local government financial assistance, shall be allocated so as to provide Aboriginal communities equitable treatment in regard to their access and internal local road needs.

1. Urban [metropolitan] area

   'Urban area' means an area designated as an 'urban area':

   a. the Sydney Statistical Division

   b. the Newcastle Statistical District

   c. the Wollongong Statistical District.

2. Rural [non-metropolitan] area

   'Rural area' means an area not designated as an 'urban area'.

3. Initial distribution

   27.54 per cent to local roads in urban areas

   72.46 per cent to local roads in rural areas.

4. Local road grant in urban areas

   Funds will be allocated:

   a. 5 per cent distributed to individual councils on the basis of bridge length

   b. 95 per cent distributed to councils on the basis of:

      i. 60 per cent distributed on length of roads

      ii. 40 per cent distributed on population.

5. Local road grant in rural areas

   Funds will be allocated:

   a. 7 per cent distributed to individual councils on the basis of bridge length

   b. 93 per cent distributed to councils on the basis of:

      i. 80 per cent distributed on length of roads

      ii. 20 per cent distributed on population.

6. Data

   Population is based on the most up-to-date Estimated Resident Population figures available from the Australian Bureau of Statistics (ABS).

   Road length is based on the most up-to-date data available to the Commission for formed roads, which are councils' financial responsibility.

   Bridge length is based on the most up-to-date data available to the Commission for bridges and culverts 6 metres and over in length, measured along the centre line of the carriageway, which are councils' financial responsibility.

   The method of application of the statistics shall be agreed to between representatives of the Local Government Grants Commission of New South Wales and the Local Government Association of New South Wales (LGNSW).

Methodology changes for 2022–23 from that used in 2021–22

The NSW methodology for distributing funding in 2022–23 has not essentially changed from that used in 2021–22. Refer to Table 20 for a historical summary of the key changes to methodology for the General-Purpose Component (GPC):

Table 20 Summary of the key changes to methodology for the General Purpose Component in NSW

Period	Change
2013 to 2016	• Weighting increase to the Isolation Allowance • Staged reduction of discretionary disadvantage factors • Introduction of a disadvantage factor for Population Decline • Increase in standard cost of unsealed road maintenance • Removal of the 'urban density' measure from the recreation function • Varying floors and ceilings to adapt to the available funds
2018–19 (transition to revised model)	Revised Expenditure Allowance: • Categories consolidated by statistical significance testing (from 20 to 6) • Disadvantage factors consolidated by statistical significance testing (from 47 to 5) with a transition to retain grant stability applying a 0 per cent floor and a 5 per cent ceiling • Relative Disadvantage Allowance $5m
2019–20	No change
2020–21	Relative Disadvantage Allowance reduced to $4.5m
2021–22	Relative Disadvantage Allowance restored to $5m

A $5 million relative disadvantage allowance (RDA) was introduced in 2018–19 by the New South Wales Grants Commission (the Commission) to assist in better achieving horizontal fiscal equalisation. After determining the per capita minimum amount in 2020–21, $4.5 million (0.78 per cent of the total pool) was quarantined from the CPI increase. The reduction of $0.5 million in 2020–21 was due to a significantly lower CPI increase.

As the level of the CPI increased in 2021–22, the Commission recommended resuming the previous amount of RDA to $5 million (0.85 per cent of the total pool). This is allocated to councils eligible for the isolation. This is allocated to councils eligible for the isolation. The RDA was retained at $5 million again in 2022–23.

The Commission's strategy has been to allocate funds fairly to communities with the greatest relative disadvantage. This remains a challenge while the National Principles mandate that 30 per cent of the GPC must be distributed on a per capita basis to all councils in a jurisdiction, including those with greater relative advantage. Following extensive independent and internal reviews of the methodology, in 2018–19 the Commission adopted a revised model with a transition period. In steering the path out of the transition, the Commission has given consideration to many external factors, including the impacts of the COVID–19 pandemic and, to this point, has retained the 0 per cent floor. The Commission continues to consult with the sector about resuming the lower limit to minus 5 per cent.

Developments in the use of long-term financial and asset management plans

Local councils in NSW report under an integrated planning and reporting (IP&R) framework that drives their strategic planning, including long-term financial and asset management planning.

The Office of Local Government (OLG) provides IP&R guidance material for councils, including a Guideline and a Handbook setting out in detail the IP&R framework. The main components of the IP&R framework are:

- **Community Strategic Plan** – The highest level of strategic planning undertaken by a council, with a ten-year plus timeframe. All other plans must support achievement of the Community Strategic Plan objectives.
- **Resourcing Strategy –** Shows how council will resource its strategic priorities, identified through IP&R. The Resourcing Strategy includes 3 inter-related elements:
  - long-term financial planning
  - workforce management planning
  - asset management planning.
- **Delivery Program –** This outlines the council's commitment to the community about what it will deliver during its term in office to achieve the Community Strategic Plan objectives.
- **Operational Plan** – This shows the individual projects and activities a council will undertake in a specific year. It includes the council's annual budget and Statement of Revenue Policy.
- **Annual Report** – This reports back to the community on the work undertaken by a council in a given year to deliver on the commitments of the Delivery Program via that year's Operational Plan. Councils also report on their financial and asset performance against the annual budget and longer-term plans.

The NSW Auditor-General oversees the auditing of councils' annual financial statements to improve the consistency, reliability and quality of financial reporting and public accountability in the local government sector.

In their Report on Local Government 2022 the Auditor-General stated that 82% of councils performed some form of early financial reporting procedure which was an increase on the 2021 financial year. There were 267 findings associated with asset management in 2022, a decrease of 7% from 2021. The most common asset management findings were:

- weak processes concerning management of fixed asset registers
- deficiencies in infrastructure revaluation processes
- opportunities to improve valuation processes including early completion
- Improvements to landfill rehabilitation recognition.

Since 4 June 2022 councils are required to have an Audit Risk and Improvement Committee. From 1 July 2024 all councils will need to ensure that committee members meet the eligibility and independence requirements set out in the Guidelines and have a risk management framework and internal audit function in place. Guidelines are available in draft and will be reissued in final form once the relevant amendments have been made to the Local Government Regulations. There are not expected to be any significant changes in the final version.

These requirements will assist councils in overseeing their management of finances and assets and should ensure better delivery of services and increased levels of accountability and transparency – all of which will be a positive outcome for their communities.

OLG encourages the professional development of council staff and councillors. Training materials are available on OLG's website that cover a range of topics including IP&R, strategic planning, financial reporting, financial management, professional development and risk management. These materials can be accessed by council staff and councillors.

OLG regularly monitors council financial performance and follows up with particular councils where they may have questions or concerns. As part of its assessment of financial sustainability OLG reviews councils' long term financial plans and resourcing strategies. OLG has also recently implemented a new risk assessment tool.

The local government sector in NSW is well placed to review and improve long term financial and asset management planning and ensure these plans are effectively implemented as an integrated part of council's operations.

Actions to develop and implement comparative performance measures for 2022–23

The Your Council website, an initiative of the NSW Government, draws on data collected by the Office of Local Government (OLG) from NSW councils and other agencies and presents it in an easy to understand and user-friendly way. The website is updated annually as new data becomes available.

Your Council provides comprehensive statistics on the operations of NSW councils. The data for each council is also benchmarked against the average for similar councils so ratepayers can compare and assess performance.

The data is available in time series format enabling comparisons between councils against a range of local government data and performance indicators including housing, employment and population that can be used to measure council's performance across various disciplines and across multiple years.

Data sources include council financial reports, rating records, Australian Bureau of Statistics' population data and various other Government data. The information collected has also been used to calculate financial assistance grants, analyse councils' financial health and check compliance of rates collected.

OLG works closely with the NSW Audit Office, which plays a key role in conducting financial and performance audits under the *Local Government Act 1993*. This engagement contributes to improvements in sector financial reporting, including through the Local Government Code of Accounting Practice and Financial Reporting and other guidance, training and support to councils in NSW. Insights from these audits also continue to provide valuable input to work on developing improved comparative performance measures at a State level over time.

The NSW Government is working with the local government sector to refine the local government performance measurement framework and ensure the robustness of financial risk assessments of councils' performance whilst incorporating non-financial information into performance assessments.

The NSW Government is also exploring alternative ways to refine the processes in collecting and providing access to information.

Legislative and other reforms undertaken during 2022–23

In 2022–23, the NSW Government continued to focus on consolidating key reform priorities to improve council performance, integrity, transparency and accountability, to streamline regulation and to build the strategic capacity of local councils so they are better placed to serve their local communities.

Key reforms implemented by the NSW Government to strengthen and support the local government sector included:

- A comprehensive review of animal rehoming practices was completed in late 2022 in consultation with metropolitan, regional and rural councils as well as rehoming organisations, animal welfare associations and the community to collect and analyse information to better understand euthanasia rates and trends. The review examined the influence of breeding, desexing and rehoming practices on euthanasia rates as well as ways to reduce euthanasia rates, including any need for legislative reform, improvements to impounding and rehoming processes and better data collection and record keeping.
- The Office of Local Government (OLG) is preparing a Companion Animals Government Policy informed by the findings and recommendations of the rehoming practices review. In June 2023, a parliamentary inquiry into pounds in NSW was established and the OLG is developing a NSW Government submission to the inquiry.
- The *Public Spaces (Unattended Property) Act 2021* commenced in November 2022, providing councils with stronger powers and penalties to rid public spaces of unattended property and putting the onus on those responsible to manage their items and animals within risk-based timeframes or face strong enforcement action.
- Reactivation of the Local Government Emergency Recovery Support Group, which offers peer to peer support for disaster-affected councils.
- Introduction of a new mandatory risk management and internal audit framework for NSW councils to be implemented from 2022 onwards.

Through the Office of Local Government (OLG), the NSW Government also progressed other reforms by:

- Delivering on an election commitment by providing Bayside Council with a funding package to cover the full cost of council rates for owners unable to occupy their properties at Mascot Towers, commencing in 2023/24 and continuing until 2026/27.
- Issuing Guidelines on the Withdrawal of Development Applications (DA) in October 2023. The Guidelines will help address the state's housing shortfall and prevent the DA process from delaying the pipeline of housing projects in NSW.
- Developing guidance for councils to support delivery of council-led affordable housing. The guidance will assist councils identify surplice operational land.
- Release of guidance to support councils in undertaking their functions under the *Public Spaces (Unattended Property) Act 2021*.
- Finalising the review of the Local Government Boundaries Commission.
- Progressing a review of the tendering provisions of the Local Government (General) Regulation 2021 to identify possible amendments to support councils in making better use of technology when tendering to achieve greater efficiencies.
- Finalising an independent review of the framework for dealing with councillor misconduct in NSW.

- Preparing a pathway to return Central Darling Shire to an elected body. An analysis of councils current and future financial, service/asset delivery position and projected costs to meet future community needs has been completed and will help to inform the governance options to ensure a sustainable financial model for council once it returns to an elected body in Sept 2024.
- In August 2022, the NSW Independent Pricing and Regulatory Tribunal (IPART) was asked by the former Minister for Local Government at the time, to review the local government rate peg methodology. The final report was provided in August 2023 outlining changes IPART was making to calculating the rate peg. IPART began applying this new methodology in their calculation of the rate peg for the 2024–25 financial year.
- The NSW Government has committed to undertaking a review of the financial modelling of councils and is currently finalising the terms of reference. The review will look at how councils identify service delivery expectations, and how to match revenue and expenditure to meet those expectations. The Minister has asked IPART to conduct the review. It is anticipated that the review will commence sometime in 2024 and will include extensive engagement.

Initiatives undertaken and services provided by local government to Aboriginal and Torres Strait Islander communities for 2022–23

Integrated Planning and Reporting

NSW councils are required to prepare Integrated Planning and Reporting (IP&R) plans to facilitate strategic planning and delivery of council services to best meet community needs.

The IP&R framework allows councils and communities to respond flexibly to local need and includes a requirement for a community strategic plan to be developed in consultation with groups in the local community and based on principles of social justice.

As part of this process, councils must develop a Community Engagement Strategy which includes how they will engage with hard-to-reach groups. The strategy should ensure that all groups, including Aboriginal and Torres Strait Islander people, have an opportunity to be heard. In this way IP&R helps councils to work in partnership with the NSW Government and others to improve outcomes for Aboriginal and Torres Strait Islander people in NSW.

Roads to Home Program

Part of the NSW Planning cluster, the Roads to Home project partners with Aboriginal communities across NSW to improve quality of life and economic opportunities.

The program does this by taking a coordinated and cooperative approach to improving infrastructure, and to providing training and employment opportunities.

The program respects the rights of local landholders and empowers Aboriginal communities to make decisions about how and if their land is used to provide infrastructure. The program works with communities to upgrade infrastructure and roads.

This leads to improvements in services like:

- household waste collection
- postal delivery
- emergency vehicles
- community transport.

The program also assists with long-term solutions to infrastructure maintenance in partner communities.

Aboriginal communities are provided with the option of transitioning management of upgraded infrastructure to local government.

The Office of Local Government (OLG) is working with the Roads to Home team and local councils to ensure that this important work can be supported by all stakeholders and that councils are in a position to partner with other parties to deliver positive outcomes for Aboriginal communities.

Closing the Gap

Local Government plays an important role in supporting the priority reform areas identified as part of a new National Agreement on Closing the Gap.

The OLG has worked closely with Aboriginal Affairs NSW at an Officer Level Working Group to explore innovative approaches that will contribute to closing the gap.

In late 2021, the OLG worked with Aboriginal Affairs NSW and Local Government NSW to develop a Closing the Gap Integrated Planning and Reporting (IP&R) template factsheet for councils. The template fact sheet guides councils on how they could incorporate activities contributing to priority reforms in the development of their community strategic plans and throughout their IP&R process.

The template fact sheet has been pre-populated with examples of current activities by a range of councils working with their Aboriginal communities and demonstrating a best practice to these priority reforms.

Tamworth Regional Council has become the first NSW council to adopt a Closing the Gap Strategy and the OLG is working with them to develop a business case to support other councils to do the same.

Councillor Diversity Program

In July 2021, the OLG engaged an Aboriginal consultancy to work with current First Nations councillors to identify short and longer-term strategies to increase the number of First Nations councillors in NSW.

The report highlighted that while First Nations councillors in NSW had diverse personal experiences, future councillors would benefit from early targeted development of young First Nations people with leadership potential in areas such as governance, resilience, mentoring and peer learning.

OLG's commitment to addressing longer-term strategies, as identified by First Nations councillors saw an increase in First Nations councillors in the 2021 Local Government elections from 2.9% to 4.4% of all councillors. Additionally, the number of First Nation candidates also increased from 2.6% to 3.8% of all candidates.

B2 Report from the Victorian Government

Methodology: 2022–23 grant allocation

The Victorian Local Government Grants Commission determines the allocation of financial assistance grants (general purpose and local roads grants) in accordance with the National Principles formulated under the *Local Government (Financial Assistance) Act 1995 (Cth)*.

Methodology for general purpose grants

The Victorian Local Government Grants Commission's methodology for recommending general purpose grants considers each council's assessed relative expenditure needs and relative capacity to raise revenue.

For each council, a *raw grant* is obtained which is calculated by subtracting the council's *standardised revenue* from its *standardised expenditure*.

The available general-purpose grants pool is then allocated in proportion to each council's raw grant, considering the requirement in the Commonwealth legislation and associated national distribution principles to provide a minimum grant to each council. Increases and decreases in general purpose grant outcomes may be limited in movement which, in turn, affects the relationship between raw grants and actual grants.

Specific grants are allocated to a small number of councils each year in the form of natural disaster assistance. These grants are funded from the general-purpose grants pool and so reduce the amount allocated on a formula basis.

Standardised expenditure

Under the Commission's general purpose grants methodology, *standardised expenditure* is calculated for each council on the basis of nine expenditure functions. Between them, these expenditure functions include all council recurrent expenditure.

The structure of the model ensures that the gross standardised expenditure for each function equals aggregate actual expenditure by councils, thus ensuring that the relative importance of each of the nine expenditure functions in the Commission's model matches the pattern of actual council expenditure.

The total recurrent expenditure across all Victorian councils in 2020–21 equalled $9.433 billion. Under the Commission's methodology, the gross standardised expenditure in the allocation model for 2022–23 therefore also equals $9.433 billion, with each of the nine expenditure functions assuming the same share of both actual expenditure and standardised expenditure.

For each function, with the exception of Local Roads and Bridges, *gross standardised expenditure* is obtained by multiplying the relevant major cost driver by:

- the average Victorian council expenditure on that function, per unit of need; and
- a composite cost adjustor which takes account of factors that make service provision cost more or less for individual councils than the state average.

Major cost drivers ('units of need')

The major cost drivers and average expenditures per unit for each expenditure function, with the exception of Local Roads and Bridges, are shown here:

- **Governance** function uses the major cost driver **Modified Population** and average expenditure per unit of **$72.52.**
- **Family and Community Services** function uses the major cost driver **Population** and average expenditure per unit of **$145.30.**
- **Aged and Disabled Services** function uses the major cost driver **Population** greater than 60 years of age plus disability pensioners plus Carer Allowance recipients and average expenditure per unit of **$313.21**.
- **Recreation and Culture** function uses the major cost driver **Modified Population** and average expenditure per unit of **$334.61.**
- **Waste Management** function uses the major cost driver **Number of Dwellings** and average expenditure per unit of **$481.46.**
- **Traffic and Street Management** function uses the major cost driver **Modified Population** and average expenditure per unit of **$140.16.**
- **Environment** function uses the major cost driver **Modified Population** and average expenditure per unit of **$83.92.**
- **Business and Economic Services** function uses the major cost driver **Modified Population** and average expenditure per unit of **$147.23.**

For five expenditure functions, a modified population is used as the major cost driver to recognise the fixed costs associated with certain functional areas.

The major cost drivers used in assessing relative expenditure needs for these functions take account of high rates of vacant dwellings at the time the census is taken. Councils with a vacancy rate above the state average are assumed to have a population higher than the census-based estimate:

- For the Governance expenditure function, actual populations are adjusted upwards to reflect 50 per cent of above average rates of vacant dwellings on census night and councils with a population of less than 20,000 are deemed to have a population of 20,000.
- For the Environment, and Business and Economic Services, functions, actual populations are adjusted upwards to reflect 50 per cent of above average rates of vacant dwellings on census night. Councils with a population of less than 15,000 are deemed to have a population of 15,000.
- For the Recreation and Culture, and Traffic and Street Management, functions, actual populations are adjusted upwards to reflect 50 per cent of above average rates of vacant dwellings on census night.

Cost adjustors

A number of cost adjustors are used in various combinations against each function. These allow the Commission to take account of the particular characteristics of individual councils which impact the cost of service provision on a comparable basis. Each cost adjustor has been based around a state weighted average of 1.00 with a ratio of 1 to 2 between the minimum and maximum values, to ensure that the relative importance of each expenditure function in the model is maintained.

The 12 cost adjustors used in the calculation of the 2022–23 general purpose grants are:

- aged pensioners
- economies of scale
- environmental risk
- Indigenous population
- language
- population dispersion
- population growth
- population less than 6 years
- regional significance
- remoteness
- socio-economic
- tourism.

Some factors represented by cost adjustors impact more on costs than others. Different weightings have been used for the cost adjustors applied to each expenditure function.

Net standardised expenditure

Net standardised expenditure has been obtained for each function by subtracting standardised grant support (calculated on an average per unit basis) from gross standardised expenditure. This ensures that other grant support is treated on an 'inclusion' basis.

Average grant revenue on a per unit basis is shown here:

- **Governance** function uses the major cost driver **Modified Population** and average grant per unit of **$2.95.**
- **Family and Community Services** function uses the major cost driver **Population** and average grant per unit of **$44.74.**
- **Aged and Disabled Services** function uses the major cost driver **Population** greater than 60 years of age plus disability pensioners plus Carer Allowance recipients and average grant per unit of **$143.08**.
- **Recreation and Culture** function uses the major cost driver **Modified Population** and average grant per unit of **$6.24.**
- **Waste Management** function uses the major cost driver **Number of Dwellings** and average grant per unit of **$0.24.**
- **Traffic and Street Management** function uses the major cost driver **Modified Population** and average grant per unit of **$3.32.**
- **Environment** function uses the major cost driver **Modified Population** and average grant per unit of **$1.36.**
- **Business and Economic Services** function uses the major cost driver **Modified Population** and average grant per unit of **$3.30**.

Net standardised expenditure (for each function)

The net standardised expenditure is calculated for each expenditure function using council's expenditure less the standardised revenue:

- Gross standardised expenditure calculation using the major cost driver, the cost adjustors and the average expenditure per unit
- Standardised grant revenue calculation using the major cost driver and the average grant per unit.

Standardised expenditure for the Local Roads and Bridges expenditure function within the general purpose grants model is based on the grant outcomes for each council under the Commission's local roads grants model. This incorporates a number of cost modifiers (similar to cost adjustors) to take account of differences between councils.

Net standardised expenditure for this function for each council is calculated by subtracting other grant support (based on actual identified local roads grants and a proportion of Roads to Recovery grants) from gross standardised expenditure.

The total standardised expenditure for each council is the sum of the standardised expenditure calculated for each of the nine expenditure functions.

Standardised revenue

A council's *standardised revenue* is intended to reflect its capacity to raise revenue from its community. Relative capacity to raise rate revenue, or standardised rate revenue, is calculated for each council by multiplying its valuation base (on a capital improved value basis) by the average rate across all Victorian councils over three years. The payments in lieu of rates received by some councils for major facilities such as power generating plants and airports have been added to their standardised revenue to ensure that all councils are treated on an equitable basis. Rate revenue raising capacity is calculated separately for each of the three major property classes (residential, commercial/industrial/other and farm) using a 4-year average of valuation data.

The derivation of the average rates for each of the property classes is shown here:

- **Residential** – average valuations of **$1,845.798b** and rate revenue of **$4.880b** with a state-wide average rate of **$0.00264**
- **Commercial/Industrial/Other** – average valuations of **$314.915b** with a state-wide rate revenue of **$1.023b** with average rate of **$0.00335**
- **Farm** – average valuations of **$97.226b** and rate revenue of **$0.320b** with a state-wide average rate of **$0.00329.**

The Commission constrains increases in each council's assessed revenue capacity to improve stability in grant outcomes. The constraint for each council has been set at the state-wide average increase in standardised revenue adjusted by the council's own rate of population growth to reflect growth in the property base.

A council's relative capacity to raise revenue from user fees and charges, or standardised fees and charges revenue, also forms part of the calculation of standardised revenue.

For each council, for each of the nine functional areas, the relevant driver (such as population) is multiplied by the adjusted state median revenue from user fees and charges (adjusted to remove the skewing effect of large outliers in the data). For some functions, this is then modified by a series of revenue adjustors to take account of differences between municipalities in their capacity to generate fees and charges, due to their characteristics.

For the 2021–2022 allocations, the Commission adopted a three-year average of revenue from user fees and charges for each functional area as a measure to stabilise grant outcomes during COVID–19. The Council have now agreed to continue to use a three year average of revenue on an ongoing basis with the median revenue across three years being used for each functional area.

The standard fees and charges used for each function are shown here:

- **Governance** function with standard fees and charges per unit of **$16.69**
- **Family and Community Services** function with standard fees and charges per unit of **$7.55**
- **Aged and Disabled Services** function with standard fees and charges per unit of **$30.76**
- **Recreation and Culture** function with standard fees and charges per unit of **$16.16**
- **Waste Management** function with standard fees and charges per unit of **$32.89**
- **Traffic and Street Management** function with standard fees and charges per unit of **$6.67**
- **Environment** function with standard fees and charges per unit of **$1.16**
- **Business and Economic Services** function with standard fees and charges per unit of **$41.84**
- **Local Roads and Bridges** function with standard fees and charges per unit of **$2.40.**

The assessed capacity to generate user fees and charges for each council is added to its standardised rate revenue to produce total standardised revenue.

Methodology changes

The Commission has a continuous process of reviewing and adjusting its allocation methodology in consultation with councils.

Prior to determining its recommendations for the 2022–23 allocations, the Commission reviewed several key aspects of the grants allocation formula. As a result of that work, the Commission:

- determined to adopt a three-year average of revenue from user fees and charges for each functional area as the basis for calculating each council's relative capacity to raise user fees and charges (this was introduced as a temporary measure for the 2021–22 allocations to stabilise grant outcomes during COVID–19); and
- decided to increase the state-wide average annual asset preservation costs applied to each road and bridge category in the calculation of local roads grants to more closely reflect actual local roads expenditure.

Minimum grants

The available general purpose grants pool for Victorian councils for 2022–23 represents, on average, $75.48 per head of population (using ABS population estimates as at 30 June 2021). The minimum grant national distribution principle requires that no council may receive a general purpose grant that is less than 30 per cent of the per capita average (or $22.64 for 2022–23).

Without the application of this principle, general purpose grants for 2022–23 for 17 councils – Banyule, Bayside, Boroondara, Darebin, Glen Eira, Hobsons Bay, Kingston, Manningham, Melbourne, Monash, Merri-bek (previously named Moreland), Moonee Valley, Port Phillip, Stonnington, Whitehorse and Yarra – would have been below the $22.64 per capita level.

The minimum grant principle has resulted in the general purpose grants to these councils being increased to that level.

If grant movements were not constrained by the Commission, Maribyrnong would also have received the minimum grant in 2022–23. However, as the Commission recommended that no council should receive a lower general purpose grant than in 2021–22, the recommended actual grant outcome for both Maribyrnong remained slightly above the minimum grant level in 2022–23.

Limits to grant movements

The Commission applied the following limits to the movements in the recommended general purpose grant outcomes for 2022–23:

- no floor was applied to councils that were in receipt of the minimum grant in 2021–22
- no decreases in grants for other councils
- no constraint on increases in grants.

Natural disaster assistance

The Commission provides funds, from the general purpose grant pool, to councils which have incurred expenditure resulting from natural disasters. Grants of up to $35,000 per council per eligible event are provided to assist with repairs and restoration work.

For 2022–23, a total of $175,000 was allocated to five councils for five events referred to in Table 21.

Table 21 Victorian natural disaster assistance grants to councils for 2022–23

Recipient council	*Type of disaster*	*Amount (in dollars)*
Indigo (Shire)	Floods and Storms	$35,000
Mildura (Regional Council)	Storms	$35,000
Moyne (Shire)	Storms	$35,000
Wellington (Shire)	Floods and Storms	$35,000
Yarra Ranges (Shire)	Floods and Storms	$35,000
Total	**Various**	**$175,000**

Methodology for local roads grants

The Commission's methodology for allocating local roads grants is based on each council's road length (for all surface types) and traffic volumes, using average annual preservation costs for given traffic volume ranges. The methodology also includes a series of cost modifiers for freight loading, climate, materials, sub-grade conditions and strategic routes and takes account of the deck area of bridges on local roads.

This formula is designed to reflect the relative needs of Victorian councils in relation to local roads funding in accordance with the National Principle relating to the allocation of local roads funding.

Road and traffic volume data

The allocation of local roads grants for 2022–23 was based on road length and traffic volume data reported by all councils for the 12 months to June 2020.

Similar to previous years, councils were asked to categorise their local road networks according to nine broad traffic volume ranges – four for urban roads and five for rural roads.

Victorian councils reported a total of 133,014 kilometres of local roads as at 30 June 2021, an increase of 883 kilometres, or 0.3 per cent more than the length reported 12 months earlier.

Where significant changes were made to the data previously provided, councils were asked to verify those data changes and, in some instances, provide additional supporting documentation.

Variations to changes in road length reported by councils ranged from:

- Increase of more than 5.0 per cent – reported by 1 council
- Increase of 1.0 per cent to 5.0 per cent – reported by 8 councils
- Increase of up to 1.0 per cent – reported by 29 councils
- No change# – reported by 33 councils
- Decrease – reported by 8 councils.

2021–22 & 2022–23 – As a result of COVID–19, the Commission reviewed all data which may have been impacted by the pandemic. In relation to their local roads data, councils were asked to update their road length data where applicable, but not to adjust traffic volume data.

Asset preservation costs

Average annual preservation costs for each traffic volume range are used in the allocation model to reflect the cost of local road maintenance and renewal.

The asset preservation costs used in the 2022–23 allocations were unchanged from the previous year and are shown in Table 22.

Table 22 Victorian asset preservation costs

Local road type	*Daily traffic volume range*	*Annual asset preservation cost (in dollars per km)*
Urban	Less than 500	$8,640
Urban	500 to less than 1,000	$11,760
Urban	1,000 to less than 5,000	$15,840
Urban	5,000 +	$25,680
Rural	Natural Surface	$840
Rural	Less than 100	$6,000
Rural	100 to less than 500	$12,480
Rural	500 to less than 1,000	$13,920
Rural	1,000 +	$15,840
Timber bridge	Not applicable	$240 per square metre
Concrete bridge	Not applicable	$144 per square metre

Cost modifiers

The Commission's formula for making recommendations for the local roads grants is designed to reflect the relative needs of Victorian councils in relation to local roads funding in accordance with the National Principle relating to the allocation of local roads funding.

The allocation model uses a series of five cost modifiers to reflect differences in circumstances between councils in relation to:

- the relative volume of freight carried on local roads in each council
- climate
- the availability of road-making materials
- sub-grade conditions
- strategic routes.

Cost modifiers are applied to the average annual preservation costs for each traffic volume range for each council to reflect the level of need of the council relative to others. Relatively high cost modifiers add to the network cost calculated for each council, and so increase its local roads grant outcome.

Grant calculation

The Commission calculates a total network cost for each council's local roads. This represents the relative annual costs faced by the council in maintaining its local road and bridge networks, based on average annual preservation costs and taking account of local conditions, using cost modifiers.

The network cost is calculated using traffic volume data for each council, standard asset preservation costs for each traffic volume range and cost modifiers for freight carriage, climate, materials availability, sub-grade conditions and strategic route lengths. The deck area of bridges on local roads is included in the network cost at a rate of $144 per square metre for concrete bridges and $240 per square metre for timber bridges.

The calculation of the network cost for each traffic volume range is calculated using the following formula:

Network cost = length of local roads in the range category, multiplied by the asset preservation cost for the range category, multiplied by the overall cost modifier

where the overall cost modifier is calculated by multiplying together the cost modifiers for freight, climate, materials, reactive sub-grades and strategic routes.

The actual local roads grant is then calculated by applying the available funds in proportion to each council's calculated network cost.

Limits to grant movements

The Commission recommended no council receive a grant decrease for 2022–23.

Victorian Local Government Report

Long-term financial planning

Victorian councils have significant economic responsibilities as they collectively own and manage community assets and infrastructure worth in excess of $135 billion. Robust asset management practices and responsible strategic financial planning are therefore required to ensure councils maintain and renew these long-lived assets appropriately to remain financially sustainable over the long-term.

The *Local Government Act 2020* introduced legislative requirements for all Victorian councils to develop and adopt a 10-year Financial Plan and a 10-year Asset Plan. The legislation requires an integrated approach to council strategic planning. The first Asset Plan under the new legislation took effect for the 2022–23 financial year, meaning that all Victorian councils now have publicly available long term plans for improving the alignment between managing their finances and their assets.

Comparative performance measures

In 2022, the Local Government Performance Reporting Framework (LGPRF) collected its eighth year of sector performance data from all Victorian councils. Established in November 2015 and launched by the Minister for Local Government, the framework and the related Know Your Council website (Know Your Council | vic.gov.au (www.vic.gov.au)) are designed to improve council transparency and accountability through enabling the community to access and compare council performance.

The website, supported by Victoria's LGPRF, requires all Victorian councils to annually collect and report their data against 58 performance indicators across 11 different service areas, including finance, roads, waste collection and libraries. The framework also includes a checklist of 24 items considered essential for supporting good governance and management in local government.

On 3 November 2022, the 2021–22 data was released publicly with 4,765 users visiting the site in the first 72 hours. As well as comparing councils, users could view trend data in addition to reading commentary from council explaining the context of their performance results.

The Know Your Council website has shown to be a popular resource across a varied audience, including:

- several other jurisdictions around Australia and overseas, who have shown interest in developing a similar resource
- media outlets, using the data and council commentary for news articles
- the public, with over 2.7 million users visiting the site since it was launched.

On 31 December 2022, the original Know Your Council reporting system was decommissioned due to the technical platform becoming unsupported. An interim Know Your Council site was developed and launched in May 2023. While not providing digital reporting functions of the original system, the interim site restores public visibility of council results.

January 2023 saw the expansion of the framework through the introduction of targets for eight of the selected indicators. Councils are now required to formulate and publish their targets for four service and four financial measures in their annual budgets.

Sector Reforms

Rural Councils Transformation Project

The Victorian Government's December 2017 'Rural and Regional Councils Sustainability Reform Program' report found that rural and regional councils face greater financial and operational sustainability challenges than metropolitan councils. Following this report, the Victorian Government committed $20 million to the 'Rural Councils Transformation Program'. The program aims to improve rural and regional councils' financial sustainability by:

- achieving economies of scale through regional service delivery or collaborative procurement
- promoting more efficient and improved service delivery through collaboration and innovation
- facilitating benefits for rural and regional communities, prioritising rural communities
- demonstrating potential efficiencies to be gained through regional service delivery.

Over two rounds of funding totalling $16.43 million, RCTP has sought to support 31 rural and regional councils, working together on 12 projects, to better address their financial and operational challenges. This has included joined-up service delivery of corporate services, procurement and asset management. The adoption of regional service delivery models can help to achieve greater service benefits for rural communities through increased collaboration across councils, and the delivery of greater efficiencies.

RCTP is also leading on the development of guidance on IT implementation and a reference IT architecture for shared services. The RCTP2 IT Implementation Strategy for Shared Services provides guidance to these 25 councils on implementing technology shared services solutions. Work has commenced on expanding this guidance to all 48 Victorian rural and regional councils to guide the future expansion of IT implementation.

Supporting councils to adapt to new ways of operating is a shared effort with the sector and is key to increasing the long-term sustainability of rural and regional councils.

Aboriginal and Torres Strait Islander Community Initiatives

Local Government Victoria has participated in several Aboriginal and Torres Strait Islander Community Initiatives.

The Victorian Government launched the Victorian Aboriginal and Local Government Strategy 2021–2026 (VALGS) on 21 March 2022 to provide councils with a practical guide that will help embed the voices and priorities of Aboriginal communities at a local government level. The Strategy has been endorsed by a Steering Committee comprising members of the Victorian Aboriginal community, State Government officials and local government sector peak body representatives. VALGS has guided the local government sector's engagement with Aboriginal Victorians, in line with the Victorian Government's vision and work towards Treaty and Closing the Gap targets.

The Victorian Government committed $350,000 in 2022–23 to support the implementation of VALGS and support pathways to self-determination for Aboriginal Victorians, including through upgrades to Reconciliation Victoria's Maggolee website.

Reconciliation Victoria has held workshops in three regional and one metro local government areas, eight webinars for local government staff, four information sessions for First Peoples and traditional owners, and developed resources for the Maggolee website to help implement VALGS.

Local Government Victoria is contributing to a whole of Victorian government submission to the Yoorrook Justice Commission on land injustice in Victoria. This will further the first formal truth-telling process into historical and ongoing injustices experienced by First Peoples in Victoria. The Yoorrook Justice Commission is:

- establishing an official record of the impact of colonisation on First Peoples in Victoria
- developing a shared understanding among all Victorians of the impact of colonisation, as well as the diversity, strength, and resilience of First Peoples' cultures
- recommending immediate legislative and policy changes as well as reforms that may be implemented through the treaty making process.

During the 2022–23 period, Local Government Victoria has continued to improve local government and Traditional Owner engagement strategies of current and future Recognition and Settlement Agreements. Efforts have focused on supporting the recently ratified Recognition and Settlement Agreement with the Barengi Gadjin Land Council Aboriginal Corporation and contributing to the monitoring and implementation of the Taungurung Clans Aboriginal Corporation Recognition and Settlement Agreement.

Gender Equality Initiatives

Local Government Victoria has initiated a number of gender equality focused programs over the reporting period.

On 12 July 2022, the first cohort of 60 women commenced the Victorian Government's $1.8m Women Leading Locally program masterclass series.

Women Leading Locally is a councillor readiness and retention program. It is primarily targeted at the municipalities with the lowest female representation following the October 2020 local government elections. Young women, women who are Aboriginal, live with a disability, are from diverse cultural and linguistic backgrounds or identify as LGBTQI+ were especially encouraged to apply.

Women Leading Locally builds awareness of and skills in key areas of councillor responsibility via a series of masterclasses. These include Values Led Leadership, Managing Conflict, and Governance and Accountability. Speciality content is also provided by Politics in Colour.

Delivered over two intakes by the Institute of Community Directors Australia (ICDA), the program is designed to inspire and support 125 local leaders with connections and tools to campaign in the October 2024 elections.

For cohort one, applications more than doubled available places (133 applications, 60 places). 43% of cohort one places awarded were from regional areas and 57% from metro areas. Retention was strong with only one cohort one participant withdrawing from the program.

Across four quarterly surveys conducted by ICDA, nearly all cohort one respondents agreed or strongly agreed that the program was:

- a safe place to learn (95%)
- applicable to their real-world setting (92%)
- encouraging and supportive (98%)
- a credible source of information (98%).

The cohort one masterclass series concluded in April 2023, with participants then commencing post course support including mentoring circles.

Women Leading Locally's cohort two masterclass series commenced in September 2023, with participants graduating in August 2024.

Women Leading Locally is designed to inspire, equip, and sustain women to become – and remain – successful local representatives for their communities. Fellows from both cohorts are encouraged to form a strong alumnus, offering mutual friendship and support all the way to the 2024 local government elections.

The Minister for Local Government, the Hon Melissa Horne MP, has stated "we're equipping fantastic women with the skills and resources they need to best put their case for election to their local council…It is important that councils are representative of the communities they serve. Gender equality is an essential part of achieving this aim."

The Victorian Government's Gender Equality Strategy, Our Equal State, sets the framework for improving gender equality, diversity and participation in Victorian communities. The Strategy includes a commitment to achieving 50 per cent women councillors and mayors in local government by 2025. In 2021, the government established the Gender Equality Advisory Committee (GEAC) to advise on how to achieve this target and on implementation of the *Gender Equality Act 2020* across local government. GEAC draws on experience from across the sector to drive gender equality across Victoria's 79 councils. The GEAC has made recommendations to the Victorian Government to support gender equality in the sector.

On 8 September 2022, the Minister for Local Government, the Minister for Women, and the Co-Chairs of the GEAC attended the Advancing Women's Leadership Summit, with former Australian Prime Minister, the Hon Julia Gillard AC delivering the keynote speech. Delegates from Victoria's local governments, peak bodies, and organisations with a commitment to improve diversity were in attendance. Participants engaged in a series of innovative and interactive discussions aimed at driving gender equality and diversity in Victorian local government elected representatives by 2025. A key focus was on achieving the Victorian Government's goal of 50% female councillors and mayors after the 2024 local government elections.

Local Government Reform Activities – Deregulation and Legislative Changes

Reforms to the Local Government Rating System

An independent panel was appointed in 2019 to review Victoria's local government rating system. Their final report made 56 recommendations, of which 36 were supported (in part or full) by the Victorian Government. The Local Government Rating Reform program is being implemented from 2021 onwards in two stages.

The *Local Government Legislative Amendment (Rating and Other Matters) Act 2022* received Royal Assent on 9 August 2022. The Act implements the first stage of rating system reforms and benefits over three million Victorian ratepayers by:

- Prescribing more flexible payment plans as a means for councils to recover unpaid rates and charges in addition to the four instalments for payment currently mandated
- Introducing the Minister for Local Government to set the capped interest rates for unpaid rates and charges
- Empowering the Minister for Local Government to issue Ministerial Guidelines for greater consistency in financial hardship policies across councils
- Expanding the criteria for councils to provide rate rebates and concessions for properties that provide a public benefit
- Repealing redundant service rates and charges powers
- Amending the power for councils to declare a service rate or charge to ensure that charges relate to waste management and essential services
- Ensuring the timely levying of council special rates and charges, to minimise delays between declaring special rates and charges schemes and the billing of ratepayers.

B3 Report from the Queensland Government

Queensland method for distributing the Financial Assistance Grant for 2022–23

General Purpose Grant (GPG)

General description of the fiscal capacity methodology

The fiscal capacity model calculates the potential revenue a council could raise if it experienced the same set of underlying conditions as the average Local Government Area (LGA) (note: in the formula section of the report, councils are referred to as LGAs for consistency with formula descriptions). Then, this potential revenue is compared against the capacity for an LGA to raise revenue, given its actual conditions or limiting factors. The difference between the potential and capacity is essentially the fiscal gap. This fiscal gap is used to determine how much of the grant pool should be allocated to each LGA.

In calculating the fiscal gap, two multipliers are applied to the potential side of the equation:

1. A population segment uplift is applied, determined by which segment an LGA falls into. The segment uplift attempts to reflect the elements that shape expenses in the operating environments of similar size LGAs.
2. A set of cost factors are also applied. The cost factors are unique to each LGA and attempt to reflect how different circumstances impact expenses in the operating environments of LGAs.

Applying these multipliers to the potential side of the equations will adjust the fiscal gap.

The final calculation is the use of scaling. The fiscal gap is used to determine an LGAs share of the grant pool, and then scaled by the ratio of the gap to the potential, so that large councils don’t necessarily receive a greater allocation by virtue of their larger numbers. This scaling is explained in further detail below.

Assumptions and limitations

It is important to remember that the fiscal gap calculation is the mechanism for determining an LGAs share of the available FA Grant pool. It does not necessarily reflect the actual fiscal support each LGA should receive to function at an average standard, as the purpose of the FA Grant is to address relative disadvantage between LGAs. There are many elements that contribute to relative disadvantage which can be qualitative in nature and not readily measurable. To address this challenge, a number of metrics are used as a proxy for some component of disadvantage.

General process of GPG model

Calculate Fiscal Gap

$$\text{Fiscal Gap} = (\text{Potential} \times \text{Segment Uplift} \times \text{Cost Factors}) - \text{Capacity}$$

Apply Proportionate Scaling

$$\text{Scaled Amount} = \left(\frac{\text{Fiscal Gap}}{(\text{Potential} \times \text{Segment Uplift} \times \text{Cost Factors})} \right) \times \text{Fiscal Gap}$$

Final GPG Allocation

$$\text{GPG Allocation} = \text{LGA Minimum Grant} + \left(\frac{\text{LGA Scaled Amount}}{\text{Sum of all Scaled Amounts}} \right) \times (\text{GPG Grant Pool} - \text{Minimum Grant Total})$$

where:

$$\text{LGA Minimum Grant} = \text{per capita Minimum Grant} \times \text{LGA Population}$$

and:

$$\text{Per capita Minimum Grant} = \text{QLD GPG Pool} \times 30\% \div \text{QLD Population}$$

Revenue items

Rates

A council's capacity to raise revenue through rating has two main drivers: the number of rateable properties and the value of the rateable properties.

Councils can decide on rating via a cents-in-the-dollar approach, a fixed amount per property based on type and features, or a combination of both. Challenges in comparing rates between councils arise because there is no consistency or standardised rating system, multiple rating categories and some councils do not have rateable properties (indigenous).

Formula

Potential

The rate revenue potential for a council is calculated by multiplying the number of rateable properties in that council area by the average rates revenue per property for the state.

$$\text{LGA Rate Revenue Potential} = \text{LGA 5 year avg no. of rateable properties} \times \text{QLD avg rates revenue per property}$$

where:

$$\text{QLD avg rates revenue per property} = \frac{\text{QLD 5 year avg rates revenue per LGA}}{\text{QLD 5 year avg no. of rateable properties per LGA}}$$

and:

- 'LGA 5 year avg no. of rateable properties' includes residential, commercial and rural properties
- 'QLD 5 year avg rates revenue per LGA' is net general rate revenue
- 'QLD 5 year avg rates revenue per LGA' and 'QLD 5 year avg no. of rateable properties per LGA' excludes non-rating LGAs.

Capacity

The rate revenue capacity for a council is calculated by multiplying the total value of rateable properties in that council area by the percentage of rates as a share of total property value in the state.

$$\text{LGA Rate Revenue Capacity} = \text{LGA 5 year avg value of rateable properties} \times \text{QLD rates as share of property values}$$

where:

$$\text{QLD rates as share of property values} = \frac{\text{QLD 5 year avg rates revenue per LGA}}{\text{QLD 5 year avg property values per LGA}}$$

and:

- 'LGA 5 year avg value of rateable properties' and 'QLD 5 year avg property values per LGA' include residential & commercial properties
- 'QLD 5 year avg rates revenue per LGA' is net general rate revenue
- 'QLD 5 year avg rates revenue per LGA' and 'QLD 5 year avg property values per LGA' excludes non-rating LGAs.

Water and Wastewater Revenue

Many councils, particularly smaller regional councils, have experienced significant population decline over time. This has resulted in large legacy asset bases with a reduced capacity to service and maintain them. The fiscal capacity calculation used for water and wastewater revenue addresses this issue.

The main component of the water and wastewater fiscal capacity is the Economic Real Rate of Return (ERRoR). ERRoR is the annual percentage of profit earned on an investment.

$$\text{ERRoR} = \frac{[\,(\text{Operating Revenue} - \text{Operating Expenses}) \times 100\,]}{\text{Written down replacement cost}}$$

where:

- Operating revenue = Revenue from utility operations
- Operating Expenses = Operation, maintenance, administration expenses and current cost of depreciation for the utility
- Written down replacement cost = Written down replacement cost of operational assets for the utility.

Formula

Potential

The water and wastewater revenue potential for a council is calculated by multiplying the state average ERRoR by the total water and wastewater asset base for that council. This potential revenue reflects the revenue that a council could generate from its assets if it had an average population (i.e. rate payers).

LGA Water & Wastewater Revenue Potential
=
QLD avg ERRoR W&WW x LGA 5 year avg Written Down Value of W&WW Assets

where:

QLD avg ERRoR W&WW = Avg [ERRoR(Qld Urban Utilities), ERRoR(UnityWater)]

and:

ERRoR = ((QG3.9 + QG3.10) – ((QG3.11 X (QG1.13 + QG1.14))
+ (QG3.12 X (QG1.15 + QG1.16))) – (QG3.15 + QG3.16))
÷ (QG3.5 + QG3.6)

where:

Table 23 Queensland key performance indicators (KPI)

KPI Code	***Indicator Title***	***Units***
QG 1.13	Connected residential properties – water supply	000s
QG 1.14	Connected non-residential properties – water supply	000s
QG 1.15	Connected residential properties – sewerage	000s
QG 1.16	Connected non-residential properties – sewerage	000s
QG 3.9	Total revenue – water	$,000
QG 3.10	Total revenue – sewerage	$,000
QG 3.11	Operating cost – water	$/connection
QG 3.12	Operating cost – sewerage	$/connection
QG 3.15	Current cost depreciation – water	$,000
QG 3.16	Current cost depreciation – sewerage	$,000
QG 3.5	Nominal written-down replacement cost of fixed water supply assets	$,000
QG 3.6	Nominal written-down replacement costs of fixed sewerage assets	$,000

and:

- above metrics are key performance indicators reported in the Statewide Water Information Management (SWIM) system by Qld Water
- all above input data is averaged over 5 years
- ERRoR is expressed as a percentage.

Capacity

The capacity for a council to generate water and wastewater revenue is calculated by multiplying the number of water and wastewater connections for that council by the state average water and wastewater revenue per connection.

LGA Water & Wastewater Revenue Capacity
=
QLD avg return on W&WW per connection x LGA no. of Connections

where:

QLD avg return on W&WW per connection
=
QLD Written Down Value of W&WW Assets x QLD avg ERRoR W&WW ÷ QLD no. of connections

and:

- QLD Written Down Value of W&WW Assets = [Avg of WDV Water Assets (Qld Urban Utilities) & WDV Water Assets (Unitywater)] + [Avg of WDV Sewerage Assets (Qld Urban Utilities) & WDV Sewerage Assets (Unitywater)]
- QLD avg ERRoR W&WW = Avg of ERRoR (Qld Urban Utilities) & ERRoR (UnityWater)
- QLD no. of connections = Avg of Total water connections (Qld Urban Utilities) & Total water connections (UnityWater)
- LGA no. of Connections = LGA total water connections
- All input data is averaged over 5 years.

User Fees and Charges

The revenue that a council can receive from user fees and charges is broadly reflective of economic conditions in their council area. The three main variables used in this component of the fiscal capacity model are business counts, gross value added (GVA), and user fees and charges revenue.

Business counts are published by the Australian Bureau of Statistics and user fees and charges revenue is provided by councils annually in the consolidated data collection. GVA is an economic productivity metric used to measure of the contribution to Gross State Product (GSP) for each LGA. GSP is a measurement of the state's economic output, including value added across all industries (i.e. the value of goods and services produced).

Formula

Potential

$$\text{User fees and charges revenue POTENTIAL} = \left(\frac{\text{QLD 5 year avg user fees and charges revenue per LGA}}{\text{QLD avg business count per LGA}} \right) \times \text{LGA business count}$$

Capacity

$$\text{User fees and charges revenue CAPACITY} = \left(\frac{\text{QLD 5 year avg user fees and charges revenue per LGA}}{\text{QLD 5 year avg Gross Value Added per LGA}} \right) \times \text{LGA 5 year avg Gross Value Added}$$

Other Grants

Under the national principles, other grant support is to be taken into account on an "inclusion approach". This "inclusion approach" is not defined and can be interpreted by the states grants commissions. The Queensland approach considers the five-year average operating grants (state and commonwealth) and population per LGA.

Formula

Potential

$$\text{Other grant revenue Potential} = \text{QLD 5 year avg total operating grants per LGA}$$

where:

- '*QLD 5 year average total operating grants per LGA*' includes Commonwealth and State operating grant revenue

Capacity

$$\text{Other grant revenue Capacity} = \text{QLD 5 year avg operating grants per capita} \times \text{LGA 5 year avg population}$$

where:

- '*QLD 5 year average total operating grants per capita*' includes Commonwealth and State operating grant revenue

Expenditure

A series of multipliers are applied to the revenue potential calculation to adjust the fiscal gap, including a population segment uplift multiplier and a set of cost factors. The cost factors are unique to each LGA and attempt to reflect how different circumstances impact expenses in the operating environments of LGAs.

Segment uplift

The purpose of applying a segment level uplift is to capture the broad array of factors that contribute to an LGAs operating environment that can be difficult to quantify, including services which fall to councils as a 'provider of last resort'. For the purpose of this model we have segmented on the basis shown in Table 24:

Table 24 Queensland segment level uplift

Segment	Population	No. of Councils	Segment uplift
Indigenous	n/a	16	1.3
Very Small	< 10,000	22	1.9
Small	10,000 to 24,999	11	1.3
Medium	25,000 to 79,999	13	0.5
Minimum Grant	≥80,000	15	0

The segment uplift multiplier also assists in addressing the divergence between operating revenue and expenditure depending on population (see Financial assistance grant allocation methodology, Information paper, August 2022).

Cost factors

The purpose of the cost factors is to reflect the components of an LGA operating expenditure environment on an individual level. The cost factors are multiplied together with the segment uplift to give a final multiple against revenue potential which will be unique to each non-minimum grant council.

The cost factors that are applied in the general purpose calculation are: Remoteness, Indigenous population, SEIFA (Advantage and Disadvantage) and Dispersion.

Remoteness

The Remoteness cost factor recognises the greater impost on council operating expenditure of remote councils. It utilises the 'Accessibility and Remoteness Index of Australia (ARIA)'.

$$\text{Cost factor} = \text{Transformation (LGA ARIA score)}$$

Indigenous population

The Indigenous population cost factor recognises the needs of Aboriginal and Torres Strait Islander people in the local government area, as required by the national principals. It utilises the Census data for Aboriginal and Torres Strait Islander population by local government area, provided by the Australian Bureau of Statistics.

$$\text{Cost factor} = \text{Transformation}\left(\frac{\text{LGA Indigenous Population}}{\text{LGA Total Population}}\right)$$

SEIFA (Advantage and Disadvantage)

The SEIFA (Advantage and Disadvantage) cost factor recognises the impact on council operating expenditure of socio-economic factors that create advantage and disadvantage in the local government area. It utilises the 'Socio-economic Indexes for Areas (Advantage and Disadvantage Index)', by local government area, provided by the Australian Bureau of Statistics.

$$\text{Cost factor} = \text{Transformation (LGA SEIFA score)}$$

Dispersion

The Dispersion cost factor recognises the impact on council operating expenditure of a number of dispersed population centres in the local government area. The cost factor is a rank for each council based on the number of population centres, as well as the average distance of centres from the primary population centre, in the local government area.

$$\text{Cost factor} = \text{Transformation }\{\text{Rank }[\text{Rank (Avg distance from primary centre)} + \text{Rank (No. of population centres)}]\}$$

Linear transformation calculation

The cost factors used are all on different scales. For example, Remoteness uses the Accessibility and Remoteness Index of Australia (ARIA) which is on a scale of 0.01 to 15, while Indigenous population is a range of percentages from 1 per cent to 95 per cent. To be able to create a set of equally weighted multipliers, these measures must be converted to a consistent range. To achieve this, the following linear transformation is used (not to be confused with matrix transformation, more similar to normalization equation):

To transform a measure x, that is part of a range of measures, to a new scale y, where: $x \geq 0$

Where the largest measure indicates most disadvantaged (this applies to the Remoteness, Indigenous Population and Dispersion cost factors):

$$\text{Transformation} = y_{min} + \left(\frac{(y_{max} - y_{min})}{(x_{max} - x_{min})} \times (x - x_{min}) \right)$$

Where the largest measure indicates least disadvantaged (this applies to the SEIFA cost factor):

$$\text{Transformation} = y_{max} - \left(y_{min} + \frac{(y_{max} - y_{min})}{(x_{max} - x_{min})} \times (x - x_{min}) \right) + y_{min}$$

where:

- y_{min} = minimum value for multiplier range
- y_{max} = maximum value for multiplier range
- x_{min} = minimum value from input data set used to calculate multiplier
- x_{max} = maximum value from input data set used to calculate multiplier
- x = individual LGA value from input data set used to calculate multiplier

Example of an LGA's SEIFA multiplier calculation:

$$\text{SEIFA multiplier} = 1.1 - \left(1 + \frac{(1.1 - 1)}{(1060 - 566)} \times (941 - 566) \right) + 1 = \mathbf{1.02}$$

Scaling

One of the fundamental constraints of the FA Grant is the objective of supporting horizontal fiscal equalisation through a limited pool of funds. The fiscal capacity result acts as a mechanism to allocate the limited pool of funds. In an ideal scenario, the sum of the fiscal gaps would equal the pool of funds available. Unfortunately, this is not the case, so the grant amount must be scaled somehow to match the funding available with the allocation amounts.

There are a number of ways to approach this scaling problem. The simplest is to apply a simple proportional approach. That is, to calculate each LGA's share of the pool based on their fiscal gap share of the total fiscal gap. Note that this solution will favour larger LGAs, as often their fiscal gap is larger, due to the scale of their businesses.

The scaling approach we have adopted is referred to as proportionate scaling. Under this approach the fiscal gap is scaled based on its proportion to the potential amount. A hypothetical example is shown below.

In this example, the sum of the fiscal gaps is $30m, however the grant pool available is only $8m. If the simple scaling approach was adopted, then all three LGAs would receive the same amount (approximately $2.7m for each LGA).

If Simple Proportional Scaling were used:

Table 25 Queensland simple proportional scaling

Council	Potential	Capacity	Fiscal Gap	Share of Gap	Result
Council A	$100m	$90m	$10m	33%	$2.7m
Council B	$40m	$30m	$10m	33%	$2.7m
Council C	$20m	$10m	$10m	33%	$2.7m

As one of our goals is to achieve more equitable outcomes, we want to weight the scaling towards those LGAs with the greatest need. As shown below, the proportionate scaling outcome weights the funding available towards LGAs where the fiscal gap is a greater proportion of their potential.

Proportionate Scaling Example (as used in model):

Table 26 Queensland proportionate scaling

Council	Potential	Capacity	Fiscal Gap	Funding need share of Potential	Basis for Proportionate scaling
Council A	$100m	$90m	$10m	10%	$1m
Council B	$40m	$30m	$10m	25%	$2.5m
Council C	$20m	$10m	$10m	50%	$5m

As shown above, the proportionate scaling in the model ensures that councils with the greater need receive the greater share of the available GPG.

Identified Road Grant

National principles guidance for the Identified Road Grant (IRG) states that this component of the FA Grant should be allocated as far as practicable on the basis of the relative needs of each LGA for roads expenditure and to preserve its road assets. The National Principles also state that in assessing road needs, relevant considerations include length, type and usage of roads.

Key features of the IRG model are:

- Two data inputs: LGA self-reported length of roads (5-year average) and a Department of Transport and Main Roads (DTMR) supplied cost relativity index
- The IRG pool is split into two pools for Minimum Grant LGAs and non-minimum grant LGAs, based on the inverse proportion of population in both groups, or 'cohorts'
- The length of roads is multiplied by the cost relativity index, and this amount determines the share of the relevant funding pool.

Cost Relativity Index

This index is supplied by DTMR and represents the relative per km cost to maintain roads for each LGA.

Note that the cost relativity index is not available for all indigenous LGAs, only Woorabinda. Therefore, Woorabinda's index is used for all indigenous LGAs.

Key points

- The relativity index is not released to the public
- Unit rates are updated annually
- The rate reflects difference in construction/maintenance costs for each LGA based on a broad selection of road type measures.

Formula

$$\text{LGA IRG Allocation} = \left(\frac{\text{LGA adjusted cost per km}}{\text{Group total cost per km}}\right) \times \text{Group Funding Pool}$$

where:

$$\text{LGA adjusted cost per km} = \text{LGA relativity to lowest cost per km} \times \text{LGA 5 year avg road length}$$

where:

$$\text{LGA relativity to lowest cost per km} = \frac{\text{LGA cost per km (TMR)}}{\text{Group minimum cost per km}}$$

And where the funding pools are calculated as the inverse population proportion of that group:

$$\text{Group funding pool} = \left[1 - \left(\frac{\text{Group population}}{\text{State Population}}\right)\right] \times \text{IRG Funding Pool}$$

Dividing the IRG funding pool is an approach adopted in other jurisdictions e.g. NSW. The rationale for this approach is aligned with the reason for allocation of LGAs to only receive the minimum grant component of the GPG.

Table 27 Queensland abbreviations

Abbreviation	***Definition***
ARIA	Accessibility and Remoteness Index of Australia
Avg	Average
ERRoR	Economic Real Rate of Return
FA Grants	Financial Assistance Grants
GPG	General Purpose Grants
GSP	Gross State Product
GVA	Gross Value Added
IRG	Identified Road Grants
LGA	Local Government Area
SEIFA	Socio-Economic Indexes for Areas
W&WW	Water and Wastewater

Methodology changes for 2022–23 from that used in 2021–22

In 2021, the Commission undertook a review of the allocation methodology used to distribute Queensland's share of the Commonwealth Government's FA Grant to councils.

The purpose of the review was to ensure the Commission's allocation methodology is achieving a more equitable distribution of the FA Grant in accordance with the Commonwealth National Principles, with a focus on achieving greater horizontal fiscal equalisation for Queensland local governments. The Commission released a discussion paper, an information paper, consulted with councils in regional forums and also liaised with other jurisdictions and the Commonwealth Government. Responses to consultation indicated that councils were supportive of the review and for a change to the methodology.

In undertaking the review, the Commission noted that financial sustainability is a significant challenge for all Queensland local governments. However, this sustainability challenge is not the same across all local governments. Trends for small councils show that populations are generally declining. Increasingly, councils with small and reducing populations are also becoming the provider of last resort for a range of services, including post offices, banks and funeral services.

Additionally, regardless of the size of a population there is a minimum operating cost for councils to deliver their important services. Councils with small populations have difficulty deriving sufficient revenue to meet their cost base and, as a council size (by population) decreases per capita revenue and expenditure diverge. The objective of the FA Grant funding is to try and enable all councils to meet an average standard and must be distributed in accordance with the requirements of the Act. In response, the Commission determined that a review of the minimum grant councils and the methodology used to distribute the FA Grant was required to address the relative need of all Queensland councils in an equitable way. The 2020 Local Government Association of Queensland conference also resolved to request the Commission review the methodology.

There were limitations from the previous methodology that the Commission addressed as they felt that it did not sufficiently capture the greater need of the small, rural and remote councils, relative to that of the larger councils. By shifting the GPG calculation to a fiscal capacity approach (measuring need by the gap between revenue potential and revenue capacity, adjusted for cost factors) the new model will achieve a greater balance in this regard.

The Commission completed its review in December 2021 and advised councils that the new FA Grant allocation methodology would be implemented over a three-year transition period commencing from the 2022–23 FA Grant.

The new methodology increases the number of minimum grant councils from 10 to 15 and introduces a transparent trigger for determining new minimum grant councils. Larger councils have more flexibility to generate revenue to support average level of service in their communities. Increasing the number of minimum grant councils provides funding for redistribution.

The Commission believes a more equitable funding distribution has been achieved with more funding to be distributed under the new model to councils with a greater need (predominantly small, indigenous and remote councils). Based on the 2022–23 FA Grant allocation to Queensland ($576m):

- 57 of 77 councils (74 per cent) in Queensland received a greater funding allocation under the new FA Grant methodology in 2022–23.
- 20 councils (26 per cent) received a reduced allocation. For these councils the average reduction was approximately 0.3 per cent of operating revenue.

For further information on the 2021 review of the methodology, see Financial assistance grant allocation methodology, Information paper, August 2022 and Annual Report 2022 on the Commission's website.

Developments in the use of long-term financial and asset management plans

All Queensland local governments are required to have a long-term financial forecast covering a period of at least 10 years and must review their long-term financial forecast annually.

All Queensland local governments are also required to prepare and adopt long-term asset management plans to ensure the sustainable management of council assets. These asset management plans are to be part of, and consistent with, the local government's long-term financial forecast.

In October 2016, the Auditor-General of Queensland tabled a report, on forecasting long-term sustainability of local government, containing recommendations for improvement. In July 2023, the Auditor-General tabled another report, on improving asset management in local government. Individual local governments in Queensland continue to implement these recommendations where appropriate.

Actions to develop and implement comparative performance measures between local governing bodies

The provision of information by the Queensland Government to the community through the Queensland Local Government Comparative Information Report continued in 2022–23. This report assists Local Governments in their endeavours to develop new and more effective ways to deliver their services by providing an effective tool by which they can monitor trends over time and benchmark services performance both internally and with other Councils.

The Queensland Government is also implementing a new local government sustainability framework, which will enhance the way council sustainability is monitored across five key elements: finances, asset management, governance, compliance and operating environment. Councils will be required to report on new sustainability performance indicators as part of their 2023–24 general purpose financial statements.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

The department is committed to promoting efficient and effective local government by providing advice, services and capacity building support to local governments.

In 2022–23, 623 councillors and council officers across Queensland councils participated in the department's Capacity Building Program. This program changes yearly to ensure it meets current needs of the local government cohort.

The major initiatives delivered by the department's capacity building program across 2022–23 included the following workshops:

- Councillor Conflicts of Interest, with seven workshops attended by 92 councillors and council employees
- Councillor Roles and Responsibilities, with 10 sessions attended by 90 councillors and council employees, at locations across Queensland
- Code of Conduct for Councillors, provided in three locations with 12 councillors attending
- Councillor Induction for new councillors, provided at nine locations with 31 attendees
- Councillor Integrity Training was also provided at four sessions with 37 councillors and council employees attending. These sessions were also in various locations across Queensland.

A series of financial management and sustainability workshops for councillors and senior council employees were also delivered during 2022–23.

The Advancing Asset Management Project commenced in 2021–22 and is designed to deliver asset management capability improvements for the long-term, with a focus on smaller and remote councils. The initial information gathering phase has been completed with pilot surveys undertaken of 14 councils. The remainder of surveys will be undertaken in 2023–24. Analysis of survey outcomes will then inform the development of tools and support to lift asset management capacity and capability. The project is planned to run to 2027–28.

Initial analysis has identified support needs across the following categories: asset management plans, governance and management, levels of service, data and systems, skills and processes and evaluation.

Finally, the mandatory training that candidates for election must complete to nominate for election in Queensland as a councillor or Mayor has been reviewed and new online training has been launched in preparation for the 2024 local government elections.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

In 2022–23, the Queensland Government completed a review of the funding arrangements for Queensland's Indigenous councils. The review has resulted in the establishment of the new Indigenous Councils Funding Program (ICFP) in 2023–24. The ICFP consolidates three former programs into one and simplifies the administrative arrangements, with a single funding allocation methodology, as well as making it quicker and easier for councils to receive and use funding.

In the past, this funding has been provided under the State Government Financial Aid (SGFA), Revenue Replacement Program (RRP), and Indigenous Economic Development Grant (IEDG). The new funding methodology allows for Indigenous councils with similar needs to be allocated a similar amount of funding to ensure equitable and transparent distribution.

As part of the establishment of the ICFP, the Queensland Government announced an additional $25.8 million for 2023–24. This brings the total ICFP funding for 2023–24 to $69.8 million.

Additionally, the Indigenous Councils Critical Infrastructure Program (ICCIP) is a $120 million funding program that is delivering critical water, wastewater and solid waste infrastructure to Queensland's Indigenous councils. The aim of ICCIP is to support Indigenous councils to deliver projects and infrastructure works relating to critical water, wastewater and solid waste assets, and provide a basis for the long-term strategic management of essential assets. It is available to all Indigenous local governments.

Councils also receive support through the Queensland Government's 2021–2024 Works for Queensland Program. This program supports 65 regional councils to undertake job-creating maintenance and minor infrastructure projects. The $200 million 2021–2024 program was allocated to 65 councils with $27.930 million being allocated to Queensland's 16 Indigenous councils. Delivery of projects under this round of funding will continue through to 30 June 2024.

Thirteen priority infrastructure projects totalling $13.419 million were approved for ten Indigenous council areas under the 2022–2024 Local Government Grants and Subsidies program. These projects are being delivered progressively over the 2022–23 and 2023–24 financial years.

Local government reform activities during the 2022–23 reporting period, including deregulation and legislative changes

The Queensland Government's rolling local government reform agenda continued during 2022–23 with reforms to improve integrity, transparency, diversity (reflecting electorate diversity) and consistency in the local government system. Two pieces of legislation commenced on 28 June 2023 *Local Government Electoral and Other Legislation (Expenditure Caps) Amendment Act 2023* and the *Local Government Electoral Regulation 2023*.

B4 Report from the Local Government Association of Queensland (LGAQ)

Developments in the use of long-term financial and asset management plans

Across the state, 77 Queensland councils coordinate the delivery of the essential services and infrastructure that are necessary for enhancing the liveability of their local communities. The Queensland Auditor-General has previously identified that asset management plays a pivotal role in ensuring the sustained well-being of the local communities and the broader local government sector (*Queensland Auditor-General's 2020–21 report on Local Government 17: 2020–21*).

Several factors are known to influence the long-term viability of councils, including size and location, population demographics, the capacity to generate revenue independently, uncertainties regarding Federal and State funding and the increasing need to bridge service delivery gaps in alignment with community expectations and legislative obligations.

For a substantial period, Queensland councils have been advocating for an improved and tailored performance assessment framework, one that acknowledges the diversity inherent in local government entities across the state. Financial health, asset management, regulatory compliance, the operational environment and governance all bear upon a council's overall sustainability, necessitating their consideration in the development of a revised financial sustainability assessment framework.

In July 2023, the Queensland Auditor-General released a performance audit into the improving asset management in local government which involved a detailed assessment of five councils. With approximately $114 billion of community infrastructure assets under management, the task for Queensland councils is a significant one. The Auditor-General identified three primary pathways for councils to improve the quality of local decision-making, including:

- governance – putting in place formal governance groups to ensure asset, finance and service managers consider and challenge asset plans and projects before going to council for approval
- asset information – regularly assessing if the asset information has changed because of revaluations, natural disasters, changes in condition, or obsolescence, to keep asset plans up to date
- reporting – developing measures and reporting on them so that councils are accountable for how assets contribute to the corporate priorities for the community.

The report further identified that councils required significantly more guidance and support to meet the minimum (core) international better practice standard. A fundamental component of an effective asset management plan revolves around the availability of accurate data pertaining to assets.

In addition, the Queensland Department of State Development, Infrastructure, Local Government and Planning released its Local Government Sustainability Framework during the year, which focused on five elements covering:

- Operating environment
- Finances
- Asset management
- Governance
- Compliance

The new framework is intended to include both financial and non-financial indicators. The identified indicators for assets are intended to inform council and communities regarding the nature of their asset base and how infrastructure investment decisions are made. The four areas for asset management reporting include:

- Planning: lifecycle costs, net present benefit/cost, asset management plan quality/links
- Investment: renewal ratio, sustainability ratio, infrastructure backlog, service levels
- Consumption: consumption ratio, occupancy/usage rate, maintenance/renewal rates
- Performance: failure rates, overall equipment effectiveness, customer satisfaction.

The LGAQ Policy Statement serves as the definitive expression of local government's collective stance in Queensland. Among the various policy positions related to financial sustainability, one key aspect is the reinforcement of cooperative partnerships with Federal and State governments. This includes ensuring that local governments have access to sufficient financial and other resources that align with fiscal equalisation objectives and correspond to their roles and responsibilities. Additionally, it emphasises the need for Queensland councils to maintain long-term financial forecasts spanning at least a decade, updated annually.

In his most recent sector report, the Auditor-General identified a further deterioration in the financial sustainability of Queensland local government, with 46 councils now identified as being at either high or moderate risk of financial unsustainability. Furthermore, it was identified that many councils received grants in advance, effectively masking their true financial performance. Setting aside the accounting windfall, only 28 of 77 councils would have reported an operating surplus (compared to 35 previously).

Action to develop and implement comparative performance measures between local government bodies

In Queensland the Department of State Development, Infrastructure, Local Government and Planning compiles data gathered annually from local governments concerning the essential services they offer and produces a Local Government Comparative Information Report. This report encompasses a range of performance indicators related to efficiency, effectiveness and service quality, spanning various vital aspects of local government:

- Financial metrics, including revenue, expenditure, borrowing, and asset management data
- Personnel statistics, encompassing both indoor and outdoor employees
- Details on road infrastructure, its maintenance and capital expenditures
- Information on water services and associated charges
- Data related to sewerage services and charges
- Insights into waste management for both domestic and commercial/industrial sectors
- Library service information
- The cost per hectare for maintaining parks and gardens.

The majority of the data in this report is directly sourced from individual council submissions as part of the annual Consolidated Data Collection, conducted each November.

This information serves as a resource for local governments, allowing them to assess performance in comparison to other councils, especially those with similar characteristics. This comparative analysis is an essential tool for instigating and sustaining improvement efforts within the realm of local government. For the community, it offers an opportunity to make informed comparisons among relevant councils.

The reports do not assign rankings to local governments. Various factors and challenges influence the operations and service delivery of local governments, many of which are beyond their control, such as climate, terrain and remoteness. These factors must be considered when drawing comparisons between local government services across Queensland.

The reports also do not measure the work of local government outside its remit. Over several decades, councils have been stepping in as a provider of last resort when private sector operators have left their community, or when State and Federal governments have failed to provide indexed funding – or have reduced funding to councils. These cost-shifts to councils are significant but are not measured (or requested) in annual data collections or reporting.

In addition, the Queensland Audit Office also produces an annual interactive dashboard that summarises financial data and allows for cross-council comparisons. Financial data reported includes:

- Revenue
  - Rates and levies
  - User charges and fees
  - Interest and investment revenue
  - Grants and contributions provided for operating
  - Grants and contributions provided for capital
  - Miscellaneous income
  - Other revenue
- Expenses
  - Employee benefits expenses
  - Borrowing/finance costs
  - Materials and services
  - Depreciation and amortisation
  - Capital expenditure
  - Other expenses
- Assets
  - Current assets
  - Non-current assets
- Liabilities
  - Current liabilities
  - Non-current liabilities
- Sustainability Indicators
  - Operating surplus ratio
  - Net financial liabilities
  - Asset sustainability ratio
  - Relative risk assessment
  - Average remaining useful life of infrastructure assets.

The Department of State Development, Infrastructure, Local Government and Planning in early 2023 also released a new sustainability framework underpinned by three principles:

- Foundations: doing the basics well – finances, governance, and service delivery
- Infrastructure: delivering infrastructure that the community needs, wants, and can afford
- Outlook: investing in ideas that are right for the future community.

These sustainability measures provide a further broad foundation to comparative performance measures.

The Local Government Association of Queensland (LGAQ) also provides a select series of comparative performance measures across several operational domains including:

- Local government procurement: Our NexGen initiative – delivered by our subsidiary Local Buy – provides detailed dashboards and reporting to help councils understand and analyse their procurement activities. The platform helps thousands of buyers to save time and money and provides powerful reporting and insights for better decision-making and improved local economic outcomes. The technology simplifies the procurement process by connecting councils with their local suppliers and allows greater transparency in the procurement process to assist councils in delivering stronger local economic development outcomes using robust data and analytics. The system is already connecting:
  - 3,600+ pre-qualified suppliers
  - 50,000+ marketplace suppliers
  - 900+ Social and Indigenous suppliers
- Local government workforce: The Association undertakes an annual workforce census which provides comparative data regarding workforce metrics and trends
- Council Cost Index: Following recent high inflation, the Association has moved from a yearly to a six-monthly measure of council input costs that it provides to council members to help inform them when setting rates, fees and charges.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

The LGAQ, through its subsidiary Local Buy, has made a significant $8 million investment in the development of a procurement solution to support Queensland councils with their purchasing of essential goods and services. Currently, 56 Queensland councils have implemented the new solution, with several more councils in the early stages of adoption. The initiative has been recognised with multiple awards, including the overall winner of the Chartered Institute of Procurement & Supply (CIPS) award at the Excellence in Procurement Awards ANZ 2023.

The procurement platform provided by Local Buy includes a series of data analytics dashboards that provide deep insight into various procurement functions and outputs, including detailed analysis of the spend profile for each council. The platform also provides councils with a fully funded toolset that is capable of executing strategic and tactical procurement, giving them the ability to engage with their local suppliers and better understand opportunities for their organisation and local economies.

The LGAQ was also successful in securing $3 million for a Rural and Remote Capacity Building Project which was established to provide targeted training to 24 councils that are disadvantaged when seeking to access essential training, due to their geographic locations. This program complements a similar program for First Nation communities that has been run successfully for the last several years.

The Association also coordinates the local government ‘First Start’ program that supports the employment through traineeships and apprenticeships under the State Government’s Skilling Queenslanders for Work initiative, which in the last year helped place 370 Trainees and 103 Apprentices into these employment pathways. The Association assists with the final allocation of traineeship and apprenticeship places across councils, manages the communication and marketing strategies for First Start and acts as the central reporting agency for councils.

Also, in 2023, the Association partnered with the Australian Institute of Company Directors (AICD) to provide a discounted LGAQ members-only delivery of the Company Directors Course, which the AICD tailored to include the *Local Government Act* and council case studies.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

Queensland is home to 17 First Nations councils, each tasked with providing a wide array of local government services to local communities. Most Queensland councils are also home to many First Nations residents, and a few councils have discrete First Nations communities located within their local government area. What unifies these councils is their establishment under the same legislation, sharing responsibilities for local government services with other Queensland councils.

First Nations councils shoulder additional cultural responsibilities, which come with significant resource demands, yet with limited opportunities for generating their own revenue – heavily necessitating reliance on government funding. The annual State Government Financial Aid program, which is provided in lieu of rates, ensures the provision of local government services and infrastructure. Other funding programs, such as Works for Queensland and the Indigenous Councils Critical Infrastructure Program, also play a vital role in supporting these councils.

To support its member councils, the Local Government Association of Queensland (LGAQ) has coordinated the delivery of Indigenous Leaders Forums for mayors and councillors. The initial forum took place virtually in July 2020 due to COVID–19 travel restrictions, while subsequent forums have been held in-person in Cairns. These events were complemented by a series of Elected Member Updates that could be conducted on-country. The LGAQ also provides a range of daily support services to elected members and senior officers from First Nation communities. This support includes access to advice, guidance and online resources in areas such as governance, compliance, industrial relations and disaster management. The LGAQ remains committed to working closely with our First Nation Councils. Since 2015, the LGAQ has administered the Indigenous Capacity Building Project, which is funded by the Queensland Government. Between 2015 and 2022 more than 3000 staff members benefitted from funded training. The project was refunded in 2022 and will operate until June 2025. To date, a further 400 staff members from the eligible councils have been trained. In recognition of the Voice to Parliament referendum, the Association developed a series of resources that included a Member Kit to help support Queensland local governments with community education and awareness.

Queensland councils strongly welcomed last year's budget announcement of a one-off increase in State Government Financial Aid (SGFA) funding to deliver essential services in communities, including maintaining water and road infrastructure.

We are now calling for the State Government to make this funding increase permanent, giving First Nations councils and their communities the certainty the need to plan and deliver their operations over the medium and long-term.

B5 Report from the Western Australian Government

Western Australian method for distributing the Financial Assistance Grant for 2022–23

The Western Australian (WA) share of Commonwealth Financial Assistance Grants (FA Grants) funding for 2022–23 was $337,480,090, being 11.98 per cent of the national allocation of $2,816,859,890. WA's share consisted of $205,104,066 for the general purpose component and $132,376,024 for the local roads component.

The WA Local Government Grants Commission (the Commission) is responsible for the allocation of FA Grants in WA.

General purpose grants

In 2022–23, 30 local governments (of the 137 totals in WA) received the minimum grant entitlement, which equated to $22.94 per capita. This was an increase from 2021–22 when local governments received $21.53 per capita.

Collectively, the local governments receiving the minimum grant accounted for $46.5 million (22.7 per cent) of the total general purpose funding pool while comprising 75.5 per cent of the state's population.

The remaining funds, distributed among the local governments, were prioritised to those that had the largest gap between the grant received in the prior financial year and their calculated grant need (equalisation) for the upcoming financial year.

A total of 87 non-minimum grant local governments received an increase, while 20 non-minimum grant local governments faced reductions of between zero and 10 per cent.

The Commission continues to use the balanced budget method for allocating general purpose grants. The balanced budget approach to horizontal equalisation applies to all 137 local governments in WA and is primarily based on the formula:

Assessed expenditure need less assessed revenue capacity = assessed equalisation requirement.

Calculation of assessed revenue capacity is based on a standardised mathematical formula updated annually and involves assessing the revenue-raising capacity of each local government in the categories of:

- Residential, Commercial and Industrial Rates
- Agricultural Rates
- Pastoral Rates
- Mining Rates
- Investment Earnings.

Assessed expenditure need is based on a standardised mathematical formula updated annually, involving the assessment of each local government's operating expenditures in the provision of core services and facilities under the standard categories of:

- Governance
- Law, Order and Public Safety
- Education, Health and Welfare
- Community Amenities
- Recreation and Culture
- Transport.

Cost adjustors

Cost adjustors are determined through a combination of data specific to the cost adjustor as well as a population component. As several small and remote local governments have high (more disadvantaged) cost adjustor specific data scores, a weighting on population in the cost adjustors ensures that local governments with small populations are not compensated excessively.

The cost adjustors (12), in order of significance, as determined by the Commission, are as follows:

- Location
- Socio-Economic Disadvantage
- Population Dispersion
- Climate
- Aboriginality
- Growth
- Fire Mitigation (formerly Terrain)
- Regional Centres
- Off-Road Drainage
- Medical
- Cyclone
- Special Needs.

Table 28 Western Australian cost adjustors applied to expenditure standards

Expenditure standard	*Cost adjustors applied to the expenditure standard*
Governance	Location, Socio-Economic Disadvantage, Aboriginality, Regional Centres
Law, order and public safety	Location, Socio-Economic Disadvantage, Population Dispersion, Fire Mitigation, Cyclone, Special Needs, Aboriginality
Education, health and welfare	Location, Socio-Economic Disadvantage, Population Dispersion, Medical Facilities, Aboriginality
Community amenities	Location, Socio-Economic Disadvantage, Growth, Population Dispersion, Regional Centres, Off-Road Drainage, Special Needs, Aboriginality
Recreation and culture	Location, Socio-Economic Disadvantage, Growth, Population Dispersion, Climate, Regional Centres, Aboriginality
Transport	N/A

Data from a wide range of sources is used to calculate the cost adjustors applied to the expenditure standards. Wherever possible, data is collected from independent sources such as the Australian Bureau of Statistics.

Table 29 Data sources utilised by the Western Australian Local Government Grants Commission

Data Type	***Source***
Accessibility Remoteness Index of Australia (ARIA++)	National Centre for Social Applications of GIS (GISCA)
Socio-economic Indexes of Areas (SEIFA)	Australian Bureau of Statistics (ABS), Catalogue Number 2033.0.55.001
Population, Population forecasts	ABS Catalogue Number 3218.0 as at March 2022, Department of Planning – 2016–2031 WA Tomorrow Growth Report
Population Dispersion	ABS QuickStats for Townsite Populations
Regional Centres	Determined by the Commission
Aboriginal Population	2018 ABS Census Tablebuilder
Fire Mitigation	Department of Home Affairs and Environment – Biophysical Attributes of Local Government
Cyclone	Australian Building Standards for Cyclone Prone Areas (Australian Building Code Board)
Off-road Drainage Data	Road Information Returns, Main Roads WA
Interest Expenditure/ Investment Revenue	WA Treasury Corporation, WA Local Government Grants Commission Information Returns
Valuations, Area, Assessments	Landgate (Valuer-General)
Residential, Commercial and Industrial Rates, Agricultural Rates, Pastoral Rates, Mining Rates	WA Local Government Grants Commission Information Returns
Climate	Bureau of Meteorology

Equalisation averaging

The Commission uses the Olympic method of averaging general purpose grant equalisation needs. This method uses the last 6 years of equalisations (grant need), removes the highest and lowest figures and averages the remaining 4 equalisations.

Local road grant funding

The Commission distributes local road grants using the Asset Preservation Model (APM), which has been in place since 1992. Under the arrangements approved for Western Australia, 7 per cent of the Commonwealth funds provided for local roads are allocated for special projects (one-third for roads servicing remote Indigenous communities and two-thirds for bridges). The remaining 93 per cent is distributed in accordance with road preservation needs, as determined by the Commission's APM.

The model assesses the average annual costs of maintaining each local government's road network and has the capacity to equalise road standards through the application of minimum standards. These standards help local governments that have not been able to develop their road systems to the same standard as more affluent local governments.

Main Roads WA contributes an additional third of the cost of special projects funded under this program. The amounts involved for 2022–23 were as shown in Table 30:

Table 30 Allocations of Commonwealth local road grant in Western Australia

Description of component	*Amount ($)*
Roads servicing Aboriginal communities	$3,089,697
Bridges	$6,179,397
Distributed according to the Asset Preservation Model	$123,106,930
Total	**$132,376,024**

Special projects – roads servicing remote Aboriginal communities

In 2022–23, the special project funds for Aboriginal access roads were as shown in Table 31:

Table 31 Western Australian special projects funds for Aboriginal access roads

Special projects	*Amount ($)*
Special project funds from the Western Australian Local Government Grants Commission	$3,089,697
State funds from Main Roads Western Australia	$1,544,849
Total	**$4,634,546**

The Aboriginal Roads Committee advises the Commission on procedures and priorities for determining the allocations of Commonwealth road funds for roads servicing remote Aboriginal communities and recommends the allocations that are made each year.

Membership of the Committee is made up of representatives from each of the following organisations:

- WA Local Government Grants Commission (Chair)
- Western Australian Local Government Association
- Main Roads Western Australia
- Department of Planning, Lands and Heritage
- Department of Local Government, Sport and Cultural Industries
- Department of the Prime Minister and Cabinet.

The Committee has established funding criteria based on factors including the number of Aboriginal people serviced by a road, the distance of a community from a sealed road, the condition of the road, the proportion of traffic servicing Aboriginal communities and the availability of alternative access. These criteria have provided a rational method of assessing priorities in developing a 5-year program. The Committee's recommendations are submitted to the Commission for endorsement.

Special projects – bridges

The Commission's policy for allocating funds for bridges recognises that there are many local government bridges that are in poor condition, and that the preservation of these bridges must be given a high priority.

The special project funds for bridges are only allocated to preservation type projects, recognising that some of these projects may include some upgrading, and that preservation includes replacement when the existing bridge has reached the end of its economic life.

In 2022–23, the special project funds for the preservation of bridges were as shown in Table 32:

Table 32 2022–23 special project funds for the preservation of bridges in Western Australia

Special projects – bridges	*Amount ($)*
Special project funds from Commission	$6,179,397
State funds from Main Roads	$3,089,699
Total	**$9,269,096**

A Bridge Committee advises the Commission on priorities for allocating funds for bridges. Membership of the Committee is made up of representatives from the following organisations:

- WA Local Government Grants Commission (Chair)
- Western Australian Local Government Association
- Main Roads Western Australia.

The Committee regularly receives recommendations from Main Roads WA on funding priorities for bridges. Main Roads WA inspects and evaluates the condition of local government bridges and has the expertise to assess priorities and make recommendations on remedial measures. As part of the process, local governments make applications to the Commission for bridge funding each year. The Committee's recommendations are submitted to the Commission for endorsement.

Publications

Detailed calculations and explanations are made available to local governments through the Commission's website. Publications include:

- Balanced Budget
- Quarterly Grant Schedule
- Schedule of Financial Assistance Grants
- Principles and Methods of Distribution of Financial Assistance Grants
- Annual Report.

Methodology changes for 2022–23 from that used in 2021–22

For 2022–23, 87 per cent of expenditure calculations were distributed using a per capita or per property allocation. The remaining 13 per cent was allocated by the cost adjustors to recognise costs that are out of a local government's control.

There were no major refinements to the methodology for 2022–23. However, there were a number of smaller changes made to update the indicator data and formulas in some cost adjustors.

Cost adjustors

Each year the Commission updates the indicator data used in the cost adjustors. This ensures that the calculations are accurate and equitable for the state. This year there were changes to the indicator data for certain cost adjustors, resulting in updated state averages, and small differences to local government allocations. However, the Commission made no changes to the cost adjustors calculation method for the 2022–23 grant year.

Medical Facilities

The Commission requested that the doctor and nurse practitioner expenditure categories that are recognised through the medical cost adjustor to be more specific to recognising the direct cost to local governments.

As a result, the final expenditure categories to be recognised now are; doctor (salary/retainer), car, housing, doctors surgery (rent forgone), communication expenses, and other costs.

However, the removal of several previously recognised categories resulted in the allocation to the medical cost adjustor being far more than needed and was recognising up to 120 per cent of local government expenditure. Therefore, the Commission agreed that this be manually changed so the percentage of a local governments expenditure to be recognised at 82 per cent and capped at $85,000. Due to the variable nature of medical costs, the Medical Cost adjustor will no longer be indexed in line with the other cost adjustors and each year the Commission will review this percentage. In 2022–23, there were 14 local governments who received the maximum allowance of $85,000.

Growth Data

The Commission updated the historical growth data range from 2016 to 2020 to 2017 to 2021, future growth data is now calculated in the range of 2022–2027. The updated historical data means that a range of local governments that previously received an allocation for Growth would not be eligible based on the new criteria within the calculation.

Special Needs

The Commission was presented with an updated paper from one Local Government regarding their Off-Road Vehicle Area and the financial impact it has on the Shire. The Commission resolved to increase the Shire's special needs allowance from $70,000 to $80,000. The special needs cost adjustor has been updated to reflect the Commission's decision.

Revenue standards

Revenue standard formulas

Revenue standards are a mathematical formula used to assess the revenue-earning capacity of each local government. The Commission calculates the following revenue standards:

- residential, commercial and industrial rates
- agricultural rates
- pastoral rates
- mining rates
- investment income.

Residential commercial and industrial rates

Using regression analysis, the Commission determined that a weighting of 41 per cent on the number of assessments and 59 per cent on property valuations is the preferred outcome as it demonstrates a stronger relationship between local government rating inputs and rates raised.

Agricultural rates

The agricultural standard was reviewed and it was determined that the current weightings of 28 per cent on the number of assessments, 36 per cent on property valuations and 36 per cent on area, provided the most effective outcome.

Pastoral rates

A regression-based formula has been applied as it provided a far improved outcome. Weightings of 45 per cent on the number of assessments, 49 per cent on property valuations and 55 per cent on area, have been used.

Mining rates

The Commission reviewed the mining revenue standard and found that an update to the regression analysis formula of 4 per cent on area, 80 per cent on valuations and 15 per cent on assessments, provided an improved correlation and outcome.

Investment revenue

Investment revenue continues to be calculated using population data as its basis. This is due to there being a loose relationship between investment revenue and local government indicators. The state was advised by the Commonwealth Grants Commission that when there is a weak relationship, population is the fairest method of distribution.

Scaleback method

The Commission changed its phasing policy for the 2018–19 grant determinations. It had become apparent that, due to the limited funding pool growth in recent years, the Commission was unable to provide the desired increases in grants to local governments that were receiving significantly less than their general purpose equalisation need. As a result, in recent years, the Commission has been transitioning local governments to a common scaleback to ensure equity between local government grants. This method continues to be used. The scaleback increased from 55.9 per cent in 2021–22 to 57.4 per cent of equalisation in 2022–23.

Developments in the use of long-term financial and asset management plans

In 2022–23, the State Government continued the delivery of the largest reforms to the system of local government in Western Australia in more than 25 years.

These landmark reforms within the *Local Government Amendment Act 2023* (the Amendment Act), passed by the WA Parliament in May 2023. They formalise the tiering of local governments in Western Australia into four classes. This tiering enables the implementation of reforms that recognise the immense diversity in local government across the state.

The Amendment Act will also enable the introduction of a restructured service planning framework, centred around new Council Plans.

Council Plans will be relatively short plans that are based on a long-term view of the likely future issues and needs of the district. Council Plans will be supported by more detailed plans, as specified in regulations. Clear templates will be developed for local governments to use or adapt if they wish to.

This further work to reform local government planning, budgeting and reporting to make it more transparent and reduce red tape for councils is ongoing in close consultation with the sector.

Actions to develop and implement comparative performance measures between local governing bodies

As part of the ongoing reform process, the WA Government is working to improve the transparency and scope of performance measures between local governments.

The *Local Government Amendment Act 2023* (the Amendment Act), passed by the WA Parliament in May 2023, includes a range of new transparency requirements, including the publication of the Key Performance Indicators (KPIs) for Chief Executive Officers (CEOs), new online registers, and new requirements for ratepayer surveys for larger local governments.

The MyCouncil website also continues to provide financial information and performance metrics for comparison across all Western Australian local governments.

Publication of CEO Key Performance Indicators

The Amendment Act will bolster transparency and accountability of the performance of local government CEOs by requiring that the performance indicators set for the CEO, and the results achieved against them, are published each year.

CEOs will be able to include comments or responses alongside the results when they are published. This ensures that the CEO can explain how the effects of disruptions or events – such a natural disaster, economic reasons or other unexpected challenges – may have practically impacted on the results achieved over the year.

Local governments will also be able to seek an exemption for publishing a specific performance indicator, if there is a clear reason. For instance, a CEO performance indicator may relate to confidential staffing matters within the local government. Exemption requests will be considered by the Director General of the Department of Local Government, Sport and Cultural Industries (DLGSC).

New Online Registers

Under the reforms, local governments will be required to disclose key information in public online registers, which will be updated on a regular basis.

Regulations will specify the information local governments will need to publish, to ensure everyone has a clear line of sight into how local governments are allocating resources and finances.

Under these reforms, Regulations will require all local governments to publish:

- An online register to capture information about the leases the local government has entered into – either as the lessor or lessee. This new transparency measure will ensure that everyone has a clear view into how local government property is being managed
- An online grants register will outline all grants and funding provided by the local government to third parties, such as community groups
- An online register to report all goods or services contracts above a threshold value specified in the Regulations. The register will not include individual employment contracts of local government employees
- An online register to capture all disclosures made by council members about their interests related to matters considered by council. While this information will also remain in meeting minutes, collating it in one register provides a further degree of transparency that will be easily accessible to ratepayers
- An online applicant contribution register to account for funds collected from applicant contributions, such as cash-in-lieu contributions for public open space and car parking provision made under planning approvals.

Ratepayer Survey

Under the new reforms, local governments in classes 1 and 2 (previously known as band 1 or 2) will be required to regularly conduct surveys of ratepayers. To enable comparisons between local governments, a small number of standard questions will be set in the regulations.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

Local Government Act reform

In 2022–23, the State Government continued the delivery of the largest reforms to the system of local government in Western Australia in more than 25 years.

The *Local Government Amendment Bill 2023* (the Bill) was introduced into the Legislative Assembly on 23 February 2023, passed by the Legislative Council on 11 May 2023, and received Royal Assent on 18 May 2023.

The *Local Government Amendment Act 2023* (the Amendment Act) introduces a number of key reforms related to elections, the introduction of optional preferential voting in local government elections, measures to increase transparency and accountability, and changes to the size and structure of councils. These changes include the introduction of directly-elected Mayors and Presidents for all class 1 and 2 local governments, abolishing all wards in smaller (class 3 and 4) local governments, and aligning the size of council representation with the population of each local government district.

The Amendment Act provides for a number of changes to be in effect for the 2023 local government elections. The electoral reforms related to the introduction of directly-elected Mayors and Presidents and council size, required sixty-eight local governments to make changes to the size or structure of their council.

To provide local governments with the greatest possible lead time to plan ahead for the changes, the Minister for Local Government wrote to all 139 WA local governments (which includes Christmas Island and Cocos Island) on 20 September 2022 to outline options for transitional arrangements.

As a result, fifty-five local governments submitted Ward and Representation Reviews to the Local Government Advisory Board to provide for the transitioning-in of the reform changes. The Board and Minister endorsed all fifty-five submissions, to provide for changes to come into full effect over the 2023 and 2025 elections.

To formalise the changes to council size and representation, sixty-four Governor's Orders were prepared and gazetted. Regulations also provided for certain changes, such as the abolition of wards, to come into effect.

Work on a second tranche of local government reforms (which includes the establishment of the Local Government Inspector and the introduction of local government monitors) is continuing in consultation with the local government sector.

Capacity building

To better educate and build capacity across the sector, DLGSC has undertaken several projects over 2022–23, including:

- increasing in-person visits and general engagement with local governments, through:
  - 3 LG Professionals branch meeting presentations
  - 44 WALGA zone meetings
  - 25 face-to-face visits to local governments

  - 58 LG alerts
  - 649 calls answered on the LG hotline
  - 667 emails resolved through the LG hotline
- A webinar series, in partnership with LG Professionals WA, targeted at local government professionals covering a variety of topics to improve sector capacity building through collaboration, education and providing best practice tools and resources, with topics including:
  - centralised registration system for cats and dogs
  - child safeguarding
  - differential rates and minimum payments
  - new accounting standards
  - the DLGSC regulatory approach
  - CCC on the prevention of corruption and fraud
  - privacy and responsible information sharing (PRIS)
  - one library card, eSafety for social media defences, and general DLGSC updates
  - collaboration with Department of Home Affairs on countering foreign interference in local government, and the Office of Privacy Commissioner on PRIS.
- A second webinar series, called the Reform Webinars, targeted a more general audience including elected officials, local government professionals, interested stakeholders and the general public to ensure the sector understands and is ready to implement the changes related to the first tranche of local government reforms in time for the October 2023 elections. The reform webinars attracted between 100 and 200 registrations and the topics covered were:
  - Tranche 1 of the reforms
  - Optional preferential voting in local government elections
  - Ward and representation reviews.

The DLGSC's Support and Engagement team continued providing advice and support to the local government sector through webinars, new guidance materials and responding to LG Hotline phone and email enquiries, which experienced a 143% increase in volume.

Support and compliance actions were undertaken to improve local government capability through:

- developing focused guidance materials made available on DLGSC's website
- developing and setting governance standards
- conducting webinars on discrete topics or new/amended legislation, in partnership with LG Professionals and directly by DLGSC
- providing advice through the LG Hotline phone line and email enquiries.

The DLGSC continued to apply the consistent approach to identifying and managing local government non-compliance through the Local Government Compliance Framework. This framework aims to modernise and enhance DLGSC's approach to sector regulation through:

- defining non-compliance
- developing a decision-making triage tool for consistent decisions to address non-compliance
- reviewing and refining a risk analysis model that informs assessment of ongoing monitoring and early intervention actions
- early engagement and intervention with 'at risk' local government to mitigate dysfunction.

Financial Management Guidance and Support

In 2022–23, DLGSC published a variety of new guidance materials and initiatives to improve the financial management and accounting practices of local governments, including:

- New Introduction to Local Government Accounting Guidelines, which provide a foundational understanding of accounting for local government finances and apply to all local government entities in Western Australia.
- New Non-Current Physical Asset Guidelines, which relate to the accounting treatment of non-current physical assets under the Australian Accounting Standard Board's AASB 116 – Property, Plant and Equipment.
- A new electronic form for the lodgement of applications for differential rates and minimum payments, which has been designed to be simpler and reduce the possibility of incomplete applications being submitted, improving the process for all local governments.
- Financial Better Practice Reviews is a new initiative designed to provides councils with the opportunity to strengthen governance, including through the promotion of best practice and innovation. Two local governments self-nominated for the voluntary program.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

Closing the Gap

The National Agreement on Closing the Gap (CTG) came into effect on 27 July 2020. Under the National Agreement, each of the states and territories agreed to develop a jurisdictional implementation plan to guide the reform process. The WA Government has developed its first Closing the Gap Jurisdictional Implementation Plan.

In 2022, an Aboriginal Policy and Business Advisor position was established to lead and manage the development and implementation of DLGSC's Reconciliation Action Plan, and to coordinate the implementation of the Aboriginal Empowerment Strategy Western Australia 2021–2029 and Closing the Gap WA Implementation Plan (the Plan).

The Implementation Plan is closely aligned with the Aboriginal Empowerment Strategy, which sets the WA Government's high-level strategic approach for working with Aboriginal people towards empowerment and better outcomes. The DLGSC is working with the State Government and local government to develop a state action/implementation plan.

Local government reform activities during the 2022–23 reporting period, including deregulation and legislative changes

Local Government Amendment Act 2023

The *Local Government Amendment Bill 2023* (the Bill) was introduced into the Legislative Assembly on 23 February 2023 and passed in the Legislative Council on 11 May 2023. The Bill received Royal Assent on 18 May 2023.

The *Local Government Amendment Act 2023* (the Amendment Act) introduces a number of key reforms related to elections and other priority matters including:

- The introduction of principles in the Act, including to recognise that Aboriginal Western Australians should have greater involvement in local decision-making
- Formally recognising tiering of local governments in the Act (based on the existing Salaries and Allowances framework)
- Reforming Council Planning – streamlining the way local governments plan for their future service delivery
- Establishing Community Engagement Charters, setting a clear standard for how local governments engage with a diverse range of people within their district
- Formalising a State-wide Caretaker Period, to be followed by all local governments during Ordinary Elections
- Tightening the rules for the eligibility for a person to be enrolled to vote or run as a candidate in a local government election on the basis of a lease – to address the issue of "Sham Leases" identified in the Inquiry into the City of Perth
- Establishing Council Communications Agreements, which provide an improved framework for how council members receive information and advice from the CEO
- Introducing specific requirements for the video streaming of council meetings (for classes 1 and 2) and audio recordings of all council meetings (for classes 3 and 4)
- Standardising the meeting procedures for all local council, committee, and electors' meetings across Western Australia, to be specified in Regulations
- Providing council members with specific entitlements to take parental leave from meetings if they have recently welcomed a new child into their household
- Delivering transparency and accountability measures, including new requirements for all local governments to publish information online, such as leases, grants, and significant contracts through public registers
- Setting a new requirement for the publication of performance indicators and results for all local government Chief Executive Officers, with limited exemptions for confidential matters.

Work to transition in these reforms, including through new regulations, continued through 2022–23. Work also continued on the second tranche of reform legislation, which will provide for the establishment of the Local Government Inspector and the introduction of local government monitors. All of these reform initiatives were continued in consultation with the sector.

Local Government Regulations Amendment Regulations (No. 2) 2023

The Local Government Regulations Amendment Regulations (No. 2) 2023 (the Regulations) were gazetted on 30 June 2023.

The Regulations introduce classes of local governments (classes 1, 2, 3 and 4) for the purposes of implementing tiered reforms for local governments. The classes are based on the Salaries and Allowances Tribunal's determinations.

The Regulations also bring into effect changes related to representation including the removal of wards for class 3 and 4 local governments, the introduction of popularly elected Mayors or Presidents for class 1 and 2 local governments, and minimum and maximum council members based on a local government's population.

The Regulations also include changes related to elections including extending the election time period, increasing the amount of candidate information available to electors, introducing optional preferential voting, and new requirements for the destruction or deletion of electoral rolls.

Local Government Regulations Amendment Regulations 2023

The Local Government Regulations Amendment Regulations 2023 was gazetted on 30 June 2023.

These amendments support the published Model Financial Statements (MFS) templates and guidelines for 2022–23, meaning tired, simplified, standardised and reduced reporting requirements for local governments.

Specifically, the amendments introduce a number of reforms including tiered reporting, credit card reporting, changes to monthly financial reporting, updated and simplified terms, changes to formatting and moving information in the annual financial report.

Local Government (Functions and General) Regulations 1996

Regulation amendments came into place on 20 May 2023 relating to the recruitment of general practitioners (GPs) and dentists by local governments.

These amendments reduce red tape and ease the burden on many regional local governments who are trying to ensure their communities have the medical services they need. The amendments provide for tender exemption for renewing or extending a contract with a medical or dental services provider so that continuity of service can be delivered.

Control of Vehicles (Off-road Vehicles) Act 1978

The State Government is progressing reforms to improve the registration and licensing system for Off-Road Vehicles (ORVs). This includes reforms to increase penalties to prevent illegal ORV activity. Work on legislative amendments continued in 2023–23.

Centralised Registration System (CRS)

The State Government continued work to deliver on its commitment to stop and prevent puppy farming in response to overwhelming community support. The *Dog Amendment (Stop Puppy Farming) Act 2021* requires the design and development of a centralised registration system (CRS) for dogs. The CRS will also assist with the registration of cats under the *Cat Act 2011*, and the development of regulations in consultation with stakeholders.

In 2022–23 DLGSC undertook in-depth engagement activities with local governments to inform the CRS requirements and regulations. Stakeholder engagement activities will continue during the implementation phase of the CRS and development of the regulations. Procurement for the CRS was substantially advanced through 2023–23, including through early market engagement, the release of a Request for Tender, and evaluation of tender offers.

B6 Report from the Western Australian Local Government Association (WALGA)

Developments in the use of long term financial and asset management plans

Model Financial Statements

In the 2022–23 financial year, amended financial reporting was introduced in Western Australia, where a size and scale financial reporting framework was developed.

The new reporting was based on the following State Government policy position on financial reporting, provided by the Minister for Local Government in 2022:

- The Minister strongly believes in transparency and accountability in local government. The public rightly expects the highest standards of integrity, good governance, and prudent financial management in local government.
- It is critically important that clear information about the financial position of local governments is openly available to ratepayers. Financial information also supports community decision-making about local government services and projects.
- Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments.
- The Office of the Auditor General has identified opportunities to improve financial reporting, to make statements clearer, and reduce unnecessary complexity.
- Recognising the difference in the complexity of smaller and larger local governments, it is proposed that financial reporting requirements should be tiered – meaning that larger local governments will have greater financial reporting requirements than smaller local governments.
- It is proposed to establish standard templates for Annual Financial Statements for band 1 and 2 councils, and simpler, clearer financial statements for band 3 and 4.

The Department of Local Government, Sport and Cultural Industries (DLGSC) in-conjunction with the Office of the Auditor General and the Local Government sector, developed model financial statements for Local Governments. In Western Australia, Local Governments are categorised by the Salaries and Allowances Tribunal into 4 bands or classes. Band 1 is for the largest Local Governments and Band 4 for the smallest. Two sets of model financial statements were produced, one for Bands 1 and 2 Local Governments and a set of statements for Band 3 and 4 Local Governments.

Simplified Strategic and Financial Planning

In 2022–23 work has been carried out on simplifying the strategic and financial planning framework for Local Governments, with the aim of having clear information about the finances of local government to enable informed public and ratepayer engagement and input to decision-making.

The framework for financial planning is being based around information being clear, transparent, and easy to understand for all ratepayers and members of the public. In order to provide more consistency and clarity across the State, there will be a greater use of templates to be introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers. The Integrated Planning and Reporting Framework (IPR) currently in place, is being adapted with the following proposals:

- Simplified **Council Plans** that replace existing Strategic Community Plans and set high-level objectives, with a new plan required at least every eight years. These will be short form plans, with a template available from the DLGSC.
- Simplified **Asset Management Plans** to consistently forecast costs of maintaining the local government's assets. A new plan will be required at least every ten years, though local governments should update the plan regularly if the local government gains or disposes of major assets (e.g., land, buildings, or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape.
- Simplified **Long Term Financial Plans** will outline any long-term financial management and sustainability issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years.
- A new **Rates and Revenue Policy** that identifies the approximate value of rates that will need to be collected in future years (referencing the Asset Management Plan and Long Term Financial Plan) – providing a forecast to ratepayers (updated at least every four years).
- The use of simple, one-page **Service Proposals** and **Project Proposals** that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become **Service Plans** and **Project Plans** added to the yearly budget if approved by council. This provides clear transparency for what the functions and initiatives of the local government cost to deliver. Templates will be available for use by local governments.

Annual Assets and Expenditure Report

A Report on Local Government Road Assets and Expenditure is produced annually by WALGA with assistance from the WA Local Government Grants Commission. The report provides information on the lengths and types of roads, paths and bridges and highlights trends in the data over the preceding five years. It includes statistics and trends on the funding sources and amount of Local Government expenditure on roads, paths and bridges. Details are provided on the allocation of expenditure between expansion, upgrade, maintenance and renewal of the network at a regional level and for individual Local Governments.

The expenditure statistics are analysed to provide comparisons of road preservation performance, net preservation needs and expenditure effort. These comparisons provide insight into the adequacy of funding and the difference between road preservation needs and current expenditure on road preservation.

Analysing and reporting the use of road assets, specifically heavy vehicle access, safety outcomes and condition data was the focus of developments to these reports.

Actions to develop and implement comparative performance measures between local governing bodies

Financial Performance Indicators

Work was carried out in 2022–23 on developing a new Local Government Financial Indicator to replace the previous Financial Health Indicator.

The Department of Local Government, Sport and Cultural Industries (DLGSC) engaged the Western Australian Treasury Corporation (WATC) to undertake a review of the Financial Health Indicator (FHI) which is currently being used to help assess the financial performance of local government authorities (LGAs). The review, undertaken in collaboration with a range of stakeholders including WALGA, had the following core purposes in mind:

- Reaffirm the purpose of, and target audience for, the FHI;
- Assess support for the continued use of a single score to measure LGA financial performance;
- Review the appropriateness of ratios, benchmarks and weightings which comprise the FHI; and
- Ensure the methodology used to calculate the FHI score is straightforward and transparent.

Stakeholder collaboration provided affirmation that the FHI is broadly well-regarded and that support exists for the continuance of using a single-score approach to summarising LGA historic financial performance. However, the construct of the FHI as well as its interpretation requires modification:

A revised FHI's LGA financial performance evaluation should be based on 4 Western Australian Local Government Association (WALGA) recommended financial ratios (as opposed to the previous slate of 7 ratios) as follows:

1. Operating Surplus Ratio;
2. Net Financial Liabilities Ratio;
3. Debt Service Coverage Ratio; and
4. Current Ratio.

Work has been completed and this is awaiting approval from the Minister for Local Government.

Condition Assessment of Regionally Significant Roads

A multi-year program continued during 2022–23 that will ultimately complete in a condition survey of all Roads of Regional Significance in Western Australia using consistent or comparable methodology. Regionally Significant roads are District Distributors, Regional Distributors and other routes, including defined freight networks, that are shown to have a clear role in contributing to economic and/or social well-being of the State. During 2022–23 the surface condition, structural condition and drainage condition of 7,200 km of sealed roads was recorded in the Wheatbelt region. Additionally visual condition of 2,300 km of unsealed road was also captured. This data was analysed at regional level and incorporated in the road asset management system of each of the 42 participating Local Governments in the Wheatbelt region. The data also provides initial function evidence in the event that claims for disaster recovery funding are made.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

WALGA has been advocating for streamlined and effective regional collaboration to leverage economies of scale, combined resources and enhanced accountability.

Regional collaboration provides many benefits for the community, including:

- Efficient service delivery leveraging economies of scale;
- Enhanced accountability for specific functions; and
- Reduced risk by quarantining ratepayer funds in a separate legal entity.

Flexibility for Local Governments to select and adapt the most suitable collaborative model to local circumstances is crucial for the benefits of regional collaboration to be realised. While competitive neutrality is important, and should be respected, the ability to undertake commercial activities is important, particularly to address instances of market failure.

The Regional Subsidiary Model is where two or more Local Governments are able to establish a regional subsidiary to undertake a shared service function on behalf of its constituent Local Governments. The model provides increased flexibility when compared to the Regional Local Government model because regional subsidiaries are primarily governed and regulated by a charter rather than legislation. While the regional subsidiary model's governance structure is primarily representative, the model also allows independent and commercially focussed directors to be appointed to the board of management.

A key advantage of the regional subsidiary model is the use of a charter, as opposed to legislation, as the primary governance and regulatory instrument. Accordingly, the legislative provisions governing the establishment of regional subsidiaries should be light, leaving most of the regulation to the regional subsidiary charter, which can be adapted to suit the specific circumstances of each regional subsidiary.

A regional subsidiary as a representative model, ideal for shared services, however not appropriate for major commercial enterprises.

WALGA and the Local Government Sector has been advocating for Regional Subsidiary shared service model for over 10 years. The sector was pleased when the legislation came in enabling Subsidiaries to be formed. However, the subsequent regulations that came in, were over regulated and hence no regional subsidiaries have been formed.

In 2022–23 financial year the State Government has committed to the following:

Work is continuing to consider how Regional Subsidiaries can be best established to -

- Enable Regional Subsidiaries to provide a clear and defined public benefit for people within member Local Governments.
- Provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds.
- Where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk.

The State Governments proposal aligns with WALGA's Advocacy Position – 'Regional Collaboration': *Local Governments should be empowered to form single and joint subsidiaries, and beneficial enterprises. In addition, compliance requirements of Regional Councils should be reviewed and reduced.*

Courtesy Speed Display Signs

Courtesy Speed Display Signs (CSDS) were made available to Local Governments on a loan basis through WALGA RoadWise to install in targeted areas to promote safer local streets. The interactive signs assist in slowing traffic on local streets by encouraging behaviour change which can be further enhanced through speed enforcement by local police. The roadside display signs are particularly useful to support speed limit changes and speed management treatments to make local streets safer, particularly for pedestrians and cyclists. During the year, the signs were loaned 12 times, on a monthly loan basis, to a total of 11 Local Governments across six regions.

LG Stars

The LG Stars tool was designed and developed during 2022–23 to help Local Governments assess the safety of the roads they manage, help them prioritise road network investment and support the implementation of the Safe System Approach to road safety management. This will assist and support the inclusion of road safety considerations in long-term works programs and investment decisions. The tool is designed to be simple to use, relying con assessing road characteristics against a selection of cross-sections and attributes. A paper-based and app version of the tool have been made available.

The tool was developed by WALGA RoadWise with funding from the National Office of Road Safety.

Local Government Transport and Roads Research and Innovation Program

The Local Government Transport and Roads Research and Innovation Program undertakes innovative research and development to support implementation of innovative practices by Local Governments. Projects seek to deliver cost effective and practical solutions. Projects completed in 2022–23 were published as research reports and practitioners' guidelines for:

- Low-cost road safety improvements for rural Local Government roads in WA;
- Sustainable road construction practices for Local Government roads in WA; and
- Considerations for sealing Local Government roads in WA.

The outcomes and guidance arising from these innovation projects were communicated via a series of webinars and the associated publications.

Initiatives undertaken and services provided by Local Governments to Aboriginal and Torres Strait Islander communities

Aboriginal Engagement Forum

WALGA's annual Aboriginal Reconciliation and Engagement Forum was held on 5 October 2022 attracting more than 200 delegates from Local Government, State Government, non-for-profits and the private sector. The purpose of this annual event is to support Local Government to provide strong leadership, and establish and grow the collaborative partnerships that are necessary for positive change for Aboriginal communities at the local level.

The 2022 event focussed on addressing trauma and supporting reconciliation through truth telling, raising the voice of Aboriginal people in decision making processes, achieving equality and increasing cultural learning and practices.

WA Local Government Aboriginal Engagement Network

WALGA facilitates the WA Local Government Reconciliation Network. Meeting 4–5 times annually, this group brings together WA Local Government Officers working in reconciliation and Aboriginal projects, including experienced Aboriginal community development officers who can provide advice and guidance on Aboriginal engagement. The main purpose of the group is to share peer-to-peer advice and learnings, offer support and encouragement, explore opportunities for partnership and collaboration between Local Governments, and coordinate meetings and events. To further support Local Government officers increase their cultural knowledge WALGA provided a free cultural tour for all network members on 23 February 2023.

National Reconciliation Week 2023

As part of National Reconciliation Week (NRW) 2023 WALGA partnered with Reconciliation WA to further increase participation by Local Governments and encourage them to deliver Reconciliation Week activities for their staff and local Communities. WALGA contributed $10,000 towards NRW activation boxes that were distributed to all 139 Local Governments within Western Australia and co-hosted a community briefing on Thursday 30 March to support WALGA members maximise their NRW experience in their community.

Aboriginal Culture Heritage Legislation

Throughout the year WALGA has represented the interests of the Local Government sector in the development of new Aboriginal Cultural Heritage legislation in Western Australia. This has included multiple submissions on legislation and guidance materials, creating a Local Government peer to peer network and facilitating information sessions with State Government. WALGA continues to work with Local Governments and State Government to assist the sector build knowledge and capability in Aboriginal heritage.

B7 Report from the South Australian Government and the Local Government Association of South Australia (LGASA)

South Australian method for distributing the Financial Assistance Grant for 2022–23

General purpose grant

The methodology used to assess the general purpose component of the Local Government Financial Assistance Grants is intended to achieve an allocation of grants to local governing bodies in the state consistent with the National Principles. The overriding principle is one of Horizontal Fiscal Equalisation, which is constrained by a requirement that each local governing body must receive a minimum entitlement per capita as prescribed in the Commonwealth legislation.

The South Australian Local Government Grants Commission (the Commission) uses a direct assessment approach to the calculations, consisting of a separate estimation of a component revenue grant and a component expenditure grant for each council, which are aggregated to determine each council's overall equalisation need.

Available funds are distributed in accordance with the relativities established through this process and adjustments are made as necessary to ensure the per capita minimum entitlement is met for each council. For local governing bodies outside the incorporated areas (the Outback Communities Authority and 5 Aboriginal communities), allocations are made on a per capita basis.

A standard formula is used as a basis for both the revenue and expenditure component grants.

Formulae

General financial assistance

The formula for the calculation of the raw revenue grants can be expressed as:

$$G = Pc \times S \times \left[\left(\frac{Us}{Ps} \times RRIs \right) - \left(\frac{Uc}{Pc} \times RRIc \right) \right]$$

Similarly, the formula for the calculation of the raw expenditure grants can be expressed as:

$$G = Pc \times S \times \left[\left(\frac{Uc}{Pc} \times CRIc \right) - \left(\frac{Us}{Ps} \times CRIs \right) \right]$$

Subscripts of s or c are used to describe whether it applies to the state or a particular council.

G = council's calculated relative need assessment

P = population

U = unit of measure. Some units of measure are multiplied by a weight

S = standard, be it cost or revenue = $\frac{\text{expenditure or income}}{U}$

RRI = Revenue Relativity Index. *CRI* = Cost Relativity Index (also known as a disability factor). They are centred around 1.00, i.e. *RRIs* or *CRIs* equals 1.00. If more than one CRI exists for any function, then they are multiplied together to give an overall CRI for that function.

In the revenue calculations for both residential and rural assessments, the Commission calculates a revenue relativity index based on the SEIFA Index of Economic Resources (from the Australian Bureau of Statistics). Where no revenue relativity index exists, the *RRIc* = 1.0. Currently, in all expenditure calculations with the exception of roads and stormwater maintenance, there are no disability factors applied and consequently *CRIc* = 1.0.

A raw calculation using the above formulae, both on the revenue and expenditure sides, are then totalled to give each council's total raw grant. Any council whose raw calculation per head is less than the per capita grant entitlement ($22.86 for 2022–23), has the per capita grant applied. The remaining balance of the grant pool is apportioned to the remaining councils based on their calculated proportion of the raw calculation. Commission-determined limits are then applied to minimise the impact on council's budgetary processes.

In the calculation of the 2022–23 general purpose grants, the Commission constrained changes to councils' grants to between minus 25 and positive 60 per cent. No councils received increases or decreases in grants outside the constraints. An iterative process is then undertaken until the full allocation is determined.

Component revenue grants

Component revenue grants compensate or penalise councils according to whether their capacity to raise revenue from rates is greater or less than the state average. Councils with below average capacity to raise revenue receive positive component revenue grants and councils with above average capacity receive negative component revenue grants.

The Commission estimates each council's component revenue grant by applying the state average rate-in-the-dollar to the difference between the council's improved capital values per capita multiplied by the *RRIc* and those for the state as a whole, and multiplying this back by the council's population.

The state average rate-in-the-dollar is the ratio of total rate revenue to total improved capital values of rateable property. The result shows how much less (or more) rate revenue a council would be able to raise than the average for the state as a whole if it applied the state average rate-in-the-dollar to the capital values of its rateable properties.

This calculation is repeated for each of 5 land use categories, namely:

- residential
- commercial
- industrial
- rural
- other.

To overcome fluctuations in the base data, valuations, rate revenue and population are averaged over 3 years. Revenue Relativity Indices (*RRIc)* are only applied to the calculations for residential and rural land use categories.

Subsidies

Subsidies that are of the type that most councils receive and are not dependent upon their own special effort, that is, they are effort neutral, are treated by the 'inclusion approach'. That is, subsidies such as those for library services and roads are included as a revenue function.

Component expenditure grants

Component expenditure grants compensate or penalise councils according to whether the costs of providing a standard range of local government services can be expected to be greater than or less than the average cost for the state as a whole due to factors outside the control of councils. The Commission assesses expenditure needs and a component expenditure grant for each of a range of functions and these are aggregated to give a total component expenditure grant for each council.

The methodology compares each council per capita against the state average. This enables the comparison to be consistent and to compare like with like.

A main driver or **unit of measure** is identified for each function. This is divided into the net expenditure on the function for the state as a whole to determine the average or **standard cost** for the particular function. For example, in the case of the expenditure function **built-up sealed roads**, 'kilometres of built-up sealed roads' is the unit of measure.

Using this example, the length of built-up sealed roads per capita for each council is compared with the state's length of built-up sealed road per capita. The difference, be it positive, negative or zero, is then multiplied by the average cost per kilometre for construction and maintenance of built up sealed roads for the state as a whole (standard cost). This in turn is multiplied back by the council's population to give the component expenditure calculation for the function. As already indicated, this calculation can be positive, negative or zero.

In addition, it is recognised that there may be other factors beyond a council's control which require it to spend more (or less) per unit of measure than the state average, in this example to reconstruct or maintain a kilometre of road. Accordingly, the methodology allows for a **cost relativity index (CRI)**, to be determined for each expenditure function for each council. Indices are centred around 1.0 and are used to inflate or deflate the component expenditure grant for each council. In the case of roads, CRIs measure relative costs of factors such as material haulage, soil type, rainfall and drainage.

To overcome fluctuations in the base data, inputs into the expenditure assessments (with the exception of annually revised road lengths) are averaged over 3 years. Table 33 details the approach taken to expenditure functions included in the methodology.

Table 33 South Australia's expenditure functions included in the methodology

Expenditure function	***Standard cost[1]***	***Units of measure***
Waste management	Reported expenditures	Number of residential properties, rural and commercial (shop) properties
Aged care services	Reported expenditures	Population Aged 65+ as per ABS Census and estimated resident population
Services to families and children	Reported expenditures	Population Aged 0–14 years per ABS Census and estimated resident population
Health inspection	Reported expenditures	Establishments to inspect
Libraries	Reported expenditures	Estimated resident population
Sport, recreation and culture	Reported expenditures	Population Aged 5–64 years as per ABS Census and estimated resident population
Sealed roads – built-up[5]	Reported expenditures	Kilometres of Built-up Sealed Road as reported in GIR
Sealed roads – non-built-up[5]	Reported expenditures	Kilometres of Non-built-up Sealed Road as reported in GIR
Sealed roads – footpaths etc	Reported expenditures	Kilometres of Built-up Sealed Road as reported in GIR
Unsealed roads – built-up[5]	Reported expenditures	Kilometres of Built-up Unsealed Road as reported in GIR
Unsealed roads – non-built-up[5]	Reported expenditures	Kilometres of Non-Built-up Unsealed Road as reported in GIR
Unformed roads[5]	Reported expenditures	Kilometres of Unformed Road as reported in GIR
Stormwater drainage maintenance[2,3]	Reported expenditures	Number of urban properties[4]
Community support	Reported expenditures	3-year average population multiplied by the SEIFA Advantage/Disadvantage CRI
Jetties, wharves, marinas and boat ramps	Reported expenditures	Number of jetties, wharves, marinas and boat ramps
Public order and safety	Reported expenditures	Total number of properties
Planning and building control	Reported expenditures	Number of new developments and additions
Bridges	Reported expenditures	Number of bridges
Environment and coastal protection	Reported expenditures	Estimated resident population
Airports and authorised landing areas	Reported expenditures	Number of airports and authorised landing areas
Other needs assessments	Set at 1.00	Based on Commission-determined relative expenditure needs in a number of areas[6]

Notes:

1. Council's net expenditure, reported in the Commission's supplementary returns.
2. Includes both construction and maintenance activities.
3. The Commission has also decided, for these functions, to use cost relativity indices based on the results of a previous consultancy by BC Tonkin and Associates.
4. Urban properties equal the sum of residential properties, commercial properties, industrial properties, exempt residential properties, exempt commercial properties and exempt industrial properties.
5. The Commission has, for these functions, used cost relativity indices based on the results of a consultancy led by Emcorp and Associates, in association with PPK Environment and Infrastructure. Tonkin Consulting has since refined the results.
6. Comprises Commission-determined relative expenditure needs with respect to the following:
   a. isolation – measured as the distance from the General Post Office (GPO) to the main service centre for the council (as published in the South Australian Local Government Directory distributed by the Local Government Association of South Australia)
   b. additional recognition of needs of councils with respect to Aboriginal people – identified by the proportion of the population identified as Aboriginal or Torres Strait Islander
   c. unemployment – identified by the proportion of the population unemployed.

This final factor *Other Needs Assessment* (*also known as Function 50*) originates from awareness by the Commission that there are many non-quantifiable factors, which may influence a council's expenditure, and that it is not always possible to determine objectively the extent to which a council's expenditure is affected by these factors.

The Commission is aware that there are many factors, which may influence a council's expenditure and that it is not always possible to determine objectively the extent to which a council's expenditure is affected by inherent or special factors.

Therefore, in determining units of measure and cost relativity indices, the Commission must exercise its judgement based on experience, the evidence submitted to the Commission, and the knowledge gained by the Commission during visits to council areas and as a result of discussions with elected members and staff.

The calculated standards by function are outlined in Table 34.

Table 34 Summary of figures by expenditure function in South Australia

Total population = 1,767,305

Function	*Standard (in dollars)*	*Unit of measure per capita*	*Total units of measure*	*Unit of measure*
Waste management	205.61	0.48139	846,825	Number of residential, rural and commercial (shop) properties
Aged care services	122.89	0.19175	337,309	Population aged more than 65
Services to families and children	74.03	0.17511	308,044	Population aged zero to 14
Health inspection	607.13	0.01207	21,238	Establishments to inspect
Libraries	70.03	1.00465	1,767,305	Estimated resident population
Sport, recreation and culture	342.33	0.75267	1,324,044	Population aged 5 to 49
Sealed roads – built-up	13,444.72	0.00630	11,078	Kilometres of sealed built-up
Sealed roads – non-built-up	13,444.72	0.00459	8,075	Kilometres of sealed non-built-up
Sealed roads – footpaths etc	20,181.56	0.00630	11,078	Kilometres of sealed built-up
Unsealed roads – built-up	2,221.73	0.00037	642	Kilometres of formed and surfaced, and natural surface-formed built-up road
Unsealed roads – non-built-up	2,221.73	0.02631	46,278	Kilometres of formed and surfaced, and natural surface-formed non-built-up road
Roads – unformed	251.87	0.00502	8,832	Kilometres of natural surfaced unformed road
Stormwater drainage – maintenance	92.66	0.46648	820,606	Number of urban, industrial and commercial properties including exempt
Community support	57.37	0.99993	1,759,012	3-year average population * Socio-Economic Indexes For Areas Advantage Disadvantage Cost Relativity Index
Jetties, wharves, marinas and boat ramps	15,312.10	0.00015	260	Number of jetties, wharves, marinas and boat ramps
Public order and safety	33.57	0.55121	969,645	Total number of properties
Planning and building control	2,191.96	0.02424	42,633	Number of new developments and additions
Bridges	14,424.31	0.00040	699	Number of bridges

Function	Standard (in dollars)	Unit of measure per capita	Total units of measure	Unit of measure
Environment and coastal protection	21.42	1.00465	1,767,305	Estimated Resident Population
Airports and authorised landing areas	68,321.15	0.00004	75	Number of airports and authorised landing areas
Other special needs	1.00	13.71287	24,122,700	Total of dollars attributed

Table 35 Summary of figures by revenue function in South Australia

Function	Standard (in dollars)	Unit of measure per capita	Total units of measure	Unit of measure
Rates – residential	0.0037	178,121	313,097,639,968	Valuation of residential
Rates – commercial	0.0066	23,524	41,382,416,572	Valuation of commercial
Rates – industrial	0.0078	3,665	6,447,520,462	Valuation of industrial
Rates – rural	0.0033	26,547	46,022,489,192	Valuation of rural
Rates – other	0.0043	7,099	12,488,139,992	Valuation of other
Subsidies	1.00	32.00549	56,301,764	The total of the subsidies

Calculated standards by function

The Commission uses Table 34 and Table 35 to determine a council's raw calculation for each of the assessed functions by calculating each individual council's unit of measure per capita, comparing it with the similar figure from the table and then multiplying the difference by the standard from the table and the council's population. If cost relativity indices are applicable, they are included as a multiplier against the council's unit of measure per capita.

It must be stressed that this process determines whether a single council has a greater than average capacity to provide services (and is therefore a per capita minimum council) or a less than average capacity. For councils with a less than average capacity, the raw calculation determines the share of the available pool of funding to which the council is entitled, subject to the application of final constraints.

Aggregated revenue and expenditure grants

Component grants for all revenue categories and expenditure functions, calculated for each council using the method outlined above, are aggregated to give each council's total raw calculation figure.

Where the raw calculation per head of population for a council is less than the per capita minimum established as set out in the Act, ($22.86 for 2022–23), the calculation is adjusted to bring it up to the per capita minimum entitlement. The balance of the allocated amount, less allocation to other local governing bodies outside the incorporated areas, is then apportioned to the remaining councils based on their calculated proportion of the raw calculation. This process provides what the Commission call its 'per capita applied' grant.

Commission determined limits, known as constraints or caps and collars, may then be applied to per capita grants to minimise the impact on council's budgetary processes or for the Commission to manage changes in grants (up or down) as a result of methodology changes or other external impacts on the pool of available funding. In the calculation of the 2022–23 grants, the Commission constrained changes to councils to between minus 25 and positive 60 per cent. An iterative process is then undertaken until the final 'estimated grant' is determined.

Identified local road grant

In South Australia, the identified local road grants pool is divided into formula grants (85 per cent) and special local road grants (15 per cent). The formula component is divided between metropolitan and non-metropolitan councils on the basis of an equal weighting of road length and population.

In the metropolitan area, allocations to individual councils are determined again by an equal weighting of road length and population. In the non-metropolitan area, allocations are made on an equal weighting of road length, population and the area of each council.

Distribution of the special local road grants is based on recommendations from the Local Government Transport Advisory Panel. The Panel is responsible for assessing submissions from the metropolitan local government group and regional associations on local road projects of regional significance.

Outback Communities Authority

The Outback Communities Authority (OCA) was established in July 2010 under legislation of the South Australian Parliament and is prescribed as a local governing body for the purposes of the Commission's recommendations for distribution of Financial Assistance Grants. It has a broad responsibility for management and local governance of the unincorporated areas of South Australia. The OCA has a particular emphasis on the provision of local government-type services normally undertaken by councils elsewhere in the state.

Due to the lack of comparable data, the Commission is not able to calculate the grant to the OCA in the same manner as grants to other local governing bodies. Rather, a per capita grant has been established. The 2022–23 per capita grant was $607.89.

Aboriginal communities

Since 1994–95, the Commission has allocated grants to 5 Aboriginal communities recognised as local governing authorities for the purposes of the *Local Government (Financial Assistance) Act 1995 (Cth)*. The Aboriginal communities are: Anangu Pitjantjatjara Yankunytjatjara, Gerard Community Council Inc., Maralinga Tjarutja, Nipapanha Community Council Inc., and Yalata Community Council Incorporated.

Again, due to the unavailability of data, grants for these communities are not calculated in the same manner as grants to other local governing bodies. Initially, the Commission used the services of a consultant, Alan Morton of Morton Consulting Services, who completed a study on the expenditure needs of the communities and their revenue raising capacities. Comparisons were made with communities in other states and per capita grants were established.

Grants have gradually been increased in line with the increase in the general purpose pool of funding for South Australia (SA) since the initial study. For the 2022–23 financial year, the per capita grant varied from $236.28 for the Gerard Community Council to $1,668.13 for the Maralinga Tjarutja Community.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant for 2022–23 from that used in 2021–22

For 2022–23, the Commission did not make any changes to its methodology for distributing funding to local government from that used in 2021–22.

The Commission continued work in 2022–23 investigating a number of methodology issues, including:

- Non-resident Ratepayers – the Commission is examining the impact of ratepayers who own a property in a council, and pay rates, but do not count that property as their principal place of residence on Census night and are therefore not counted as part of the council's population for the assessment of relative need for the General Purpose Grants.
- Review of the Commission's local roads Geographical Information System (GIS) – the Commission is reviewing its long-established local roads GIS, maintained for over 20 years and now viewed to be largely superseded by council's own GIS.
- A range of other methodology issues including a review of the distribution of the Identified Local Road Grants, based on a submission from the Wakefield Regional Council.

The Commission also continued to focus efforts on the movement of grants via the application of constraints to the grant recommendations for 2022–23. This process is addressing changes in per capita applied grants to councils that have occurred during previous years as a result of methodology changes, the indexation pause and the impacts of significant brought forward payments.

Developments in the use of long-term financial and asset management plans

Each one of South Australia's 68 councils is required, by section 122 of the *Local Government Act 1999 (SA)*, to develop and adopt a long-term financial plan and an infrastructure and asset management plan, each covering a period of at least 10 years.

The Essential Services Commission of South Australia (ESCOSA) has a new role in providing independent advice to councils on a four-yearly rotational basis in relation to a council's long-term financial plan, infrastructure and asset management plan, and revenue sources as outlined in the council's funding plan. ESCOSA provided its advice to the first 15 councils on 28 February 2023, and has published the advice on its website.

The Local Government Association of SA (LGASA) continued to provide advice and assistance to the sector in 2022–23 through resources that were developed and distributed during its previous Financial Sustainability Program (FSP) (2005–2017).

Those published, reviewed, or updated in 2022–23 included:

- Model Financial Statements
- Model Rates Notice Templates
- Better Practice Model – Financial Internal Controls
- Integrated Strategic Management Framework.

The LGASA is undertaking a project in collaboration with the Institute of Public Works Engineering Australasia (IPWEA) aimed at enhancing asset management capacity and capability in the sector through the provision of a suite of 13 information papers. During 2022–23, two papers (in addition to the three produced in 2021–22), relating to 'Lifecycle Management', and 'Managing Risk and Resilience', were finalised and made available to LGASA member councils.

Actions to develop and implement comparative performance measures between local governing bodies

Comparisons between councils on a wide range of data are facilitated by the annual publication by the Commission of annual database reports dating back to 1995–96, and are available at https://www.dit.sa.gov.au/local-government/grants-commission/publications#database.

Financial indicators

The Local Government (Financial Management) Regulations 2011 require councils to use 3 specific financial indicators in their financial planning and reporting: the operating surplus ratio, the net financial liabilities ratio and the asset renewal funding ratio. The Office of Local Government published detailed explanatory information about each financial indicator and trend data covering individual councils on the Councils in Focus website accessible at https://councilsinfocus.sa.gov.au/.

Each year, the LGASA also assembles an update report providing the latest values, history and comparisons of key financial indicators for the local government sector. The 2023 update report included data on the 3 financial indicators for the sector as a whole.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

Local Government Research and Development Scheme

The Local Government Research and Development Scheme (the Scheme) continued as a primary source of funding for research in local government, funded through tax-equivalent payments by the Local Government Finance Authority. The Scheme's governance was overseen by an advisory committee, the purpose of which was to provide independent and objective advice to the LGASA Board. The advisory committee consists of 3 members of the LGASA Board, a metropolitan council chief executive officer (CEO), a country council CEO, a representative from local government trade unions, a representative from South Australian universities, a representative from the Office of Local Government, and the LGASA Chief Executive.

From its inception in 1997 until 30 June 2023, the Scheme had approved over 780 projects, with approximately $35 million in approved funding. The Scheme was delivered through two competitive grant rounds, a regional capacity-building program and strategic initiatives for the benefit of local government. This has attracted significant matching funds and in-kind support from other sources. The project outcomes for the funded projects are available through the LGASA research library website at https://www.lga.sa.gov.au/members/members-services-pages-with-public-permission-links/research-and-publications/research-library.

Projects approved for funding during 2022–23 include:

- 2021.03 – 2022 Council Elections Stage 2
- 2022.02 – Cost Impacts and Benefits of the *PDI Act 2016*
- 2022.04 – Jetties Research Project: the economic, social and historic value of jetties in South Australia
- 2022.12 – Coastal management- council coordination
- 2022.61 – Local Government Career Pathways & Workforce Toolkit for Regional South Australia (SA)
- 2022.67 – Keys to the digital world: libraries and community centres' critical roles in digital access and connection
- 2022.74 – Ending homelessness: a toolkit for local government
- 2022.79 – Quality public spaces: developing placemaking indicators and benchmarks
- 2022.86 – Understanding and addressing the housing shortage in the Tatiara, Southern Mallee, Naracoorte Lucindale and Coorong Local Government Areas
- 2022.92 – Shaping Local Civic Youth Leaders.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

First Nations Voice to Parliament

A referendum to decide whether to establish an Indigenous Voice to Parliament in the Constitution was held towards the end of 2023.

The Australian Government launched an information campaign to help inform Australians about the referendum, including a community toolkit containing posters, templates and social media posts. LGASA has liaised with the National Indigenous Australians Agency to ensure that SA councils have access to this suite of resources to share with their communities.

In addition, the South Australian Government funds the provision of municipal services to Aboriginal communities outside of the APY Lands.

The Municipal Services for Aboriginal Lands Program is administered by the Office of Local Government, SA Department for Infrastructure and Transport.

Over 2022–23, $3.1 million (ex GST) was provided to deliver municipal services including waste management, dog control and environmental health, road maintenance and water provision.

Of the 18 service providers funded, four are local councils or a similar body, including:

- Berri Barmera Council for services to the Gerard Aboriginal community
- District Council of Yorke Peninsula for services to the Point Pearce Aboriginal community
- District Council of Coober Pedy for services to Umoona Aboriginal community
- The Outback Communities Authority for services to the Dunjiba Aboriginal community.

This funding will continue to be provided to communities during 2023–24 to support these vital services.

Local government reform activities by the jurisdiction during the 2022–23 reporting period including deregulation and legislative changes

Local government reform

The *Statutes Amendment (Local Government Review) Act 2021* passed Parliament and received the Governor's assent on 17 June 2021.

Key reforms include:

- a new conduct management framework for council members
- an expansion of expert, independent advice to councils on a range of critical financial and governance matters
- a modern approach to public consultation
- a range of improvements to regulation, to reduce councils' costs.

The reforms are commencing in stages. A number of reforms commenced during 2022–23, including:

- The commencement of the new council member conduct management framework to coincide with the new term of councils. The Behavioural Standards Panel has been established to deal with complaints about council member behaviour that cannot be resolved at the council level, particularly repeated and serious misbehaviour.
- Reforms to local government elections, including amendments that reduce the circumstances in which councils must hold supplementary elections, and reforms relating to requirements for candidates.

The LGASA is supporting councils with the implementation of reforms through the LG Equip program. The LG Reform website provides LGASA-member councils with information relevant to provisions scheduled for commencement. During 2022–23, 76 explanatory items and one information sheet were published to the website, which can be found at https://dit.sa.gov.au/local-government/office-of-local-government/local-government-reform. The LGASA also developed and/or updated approximately 10 other resources such as best practice guidelines, model policies, templates, and reports.

The LGASA also held and/or facilitated several information sessions for council staff to support implementation of the reforms.

Plebiscite – Grant and Mount Gambier

During 2022–23, the State Government held a plebiscite to investigate an amalgamation of the two councils (District Council of Grant and the City of Mount Gambier) to form a single council.

The LGASA held two community information sessions to provide residents with an opportunity to learn about the plebiscite and what would occur if the vote to investigate the amalgamation of the councils was supported.

A separate ballot paper was included in the 2022 Council Elections ballot pack that voters received. Voters ultimately did not support the examination of an amalgamation of the District Council of Grant and the City of Mount Gambier to form a single council. Accordingly, no further action was taken by the State Government.

B8 Report from the Tasmanian Government

Tasmanian method for distributing the Financial Assistance Grant for 2022–23

Methodology used for developing the recommendations for the allocation of Tasmania’s General Purpose Grant

For the General Purpose Grant recommendations, the Tasmanian Grants Commission adopts a two pool approach. Firstly, 30 per cent of the General Purpose Grant is allocated to councils according to their share of the State’s total population (this is referred to as the per capita grant). The remaining 70 per cent of the Grant is allocated on a relative needs or equalisation basis.

The Commission uses a balanced budget equalisation model as a basis for determining the recommendations for the distribution of the relative needs pool. Based on state-wide average council revenue raised and council expenditure, on a per capita basis, the Commission estimates the annual revenue raising capacity of each council and estimates the annual expenditure requirement for providing core services to a common standard with all other councils.

Councils are assessed as having hypothecated annual surpluses or deficits. As the Commission does not use actual revenue and expenditure data for each council, these hypothecated surpluses and deficits may be different from their actual financial performance.

Councils which are assessed as having a surplus, are regarded as having sufficient capability to function by reasonable effort at a standard not lower than the average of other Tasmanian councils.

These councils are not allocated a share of the relative needs pool. The recommendation for these councils is therefore the minimum grant, namely their population share of 30 per cent the General Purpose Grant, consistent with the relevant national principle.

The remaining councils have assessed deficits, which indicates that these councils do not have sufficient capability to function, by reasonable effort, at a standard not lower than the average standard of other Tasmanian councils and therefore require additional support.

The deficits of these councils are aggregated. The relative needs pool is allocated among these councils such that each council’s share of the relative needs pool is equal to the share of the aggregated deficit attributable to that council.

Revenue capacity for a council comprises:

- the revenue that council could raise if it applied a ‘state-wide average rate in the dollar’ to all rateable property in its area. The ‘state-wide average rate in the dollar’ is calculated based on the most recent Assessed Annual Value (AAV) estimates for all municipalities provided by the Valuer-General and the total level of actual annual revenue raised by all councils for providing a common range of services; plus
- that council’s per capita grant allocation; plus
- other financial support (OFS) revenue that meets the criteria for inclusion.

A council's expenditure requirement comprises:

- the estimated cost of providing a common range of services in that municipality (standardised expenditure), and road expenditure; plus
- any additional allowances provided to councils for council-supported medical practices or airports; plus
- a Budget Result Term (BRT) allowance, which is a hypothetical positive or negative allowance. The Commission calculates the actual aggregate net deficit or surplus of all councils for providing the common services, including the relative needs component of the General Purpose Grant and all state-wide sources of revenue. This is then allocated across councils on a per capita basis so that, at a State level, the budget of councils is balanced.

Standardised expenditure is calculated for each functional category, with the exception of roads, as follows:

1. determine each council's actual expenditure, net of any operational OFS receipts that meet the criteria for recognition as OFS by deduction, in accordance with the requirement to apply the Other Grant Support (National Principle 4);
2. sum the net council expenditure to determine the total state-wide expenditure;
3. allocate the total state-wide expenditure between all councils on a per capita basis; and
4. apply cost adjustors to each council's allocated expenditure to reflect unavoidable cost advantages/disadvantages faced by individual councils in providing services. The cost adjusters are:

- Absentee Population
- Scale (Administration)
- Climate
- Scale (Other)
- Dispersion
- Tourism
- Isolation
- Worker Influx
- Socio-Economic Indexes for Areas (SEIFA) – Index of Relative Socio-economic Disadvantage (IRSD)
- Service Industry Employment (SIE)

The Commission has determined that no additional adjustments are needed to account for the different needs of Aboriginal peoples and Torres Strait Islanders across municipalities in Tasmania. This is based on both the Index of Relative Indigenous Socioeconomic Outcomes and advice provided by those councils with the highest proportion of their populations recognising as having indigenous origin.

The road expenditure requirement is calculated as follows:

1. determine each council's actual expenditure, net of any operational OFS receipts that meet the criteria for recognition as OFS by Deduction, in accordance with the requirement to apply the Other Grant Support under the relevant national principle;
2. sum the net council expenditure to determine total state-wide road expenditure;
3. redistribute the total state-wide road expenditure based on each council's share of the Identified Local Road Funding pool under the road funding methodology explained in the following section.

In preparing grant recommendations for any year, the Commission uses a three-year average of assessed revenue capacity and expenditure requirement, using the most recent year for which data are available and the preceding two years.

Methodology used for developing the recommendations for the allocation of Tasmania's Identified Local Road Funding pool

The Commission estimates the annualised cost for preserving council road, bridge, and culvert assets in the State.

Three road types are used, based on typical Tasmanian road characteristics, to categorise roads in Tasmania. Average costs are estimated to construct and maintain these roads over their typical lifetime. This is used to calculate the State average cost per kilometre, per annum, for councils to maintain their road networks. The three road types used in the assessment are urban sealed, rural sealed and unsealed roads. Council bridge and culvert asset preservation requirements are accounted for through the inclusion of four bridge types and two culvert types in the asset preservation cost assessment.

Cost adjustors and allowances are applied to account for relative cost advantages or disadvantages faced by councils in maintaining their roads. The road cost adjustors are rainfall, terrain, traffic, and remoteness. An urbanisation allowance is also applied to eligible road lengths in recognised urban areas. There is also an allowance to recognise additional costs in respect of the road network on Bruny Island, in the Kingborough LGA. The Commission does not apply any cost adjustors to its standard bridge or culvert asset preservation costs.

The Commission estimates the assessed annualised cost for each council to preserve its road network. These costs are then aggregated. The grant recommendations are calculated such that each council's share of the road funding pool is equal to its share of the aggregated road costs.

Grant stability

The Commission applies caps and floors for its General Purpose Grant recommendations for each council as a means of creating a degree of grant stability for councils. The cap limits the year-on-year increase while the floor restricts any reduction, compared to the previous year's grant recommendation.

In finalising the General Purpose Grant recommendations for 2022–23, the Commission applied a 10 per cent increase cap, and floor of zero per cent.

Caps and floors are not used for the road-related funding recommendations.

Reviews

The Commission aims to ensure that its approach to preparing recommendations remains contemporary and equitable. Some potential changes to its methodologies are initiated by the Commission and some are suggested by councils.

The annual hearings and visits process conducted by the Commission allows it to be informed of the issues that councils are facing and to receive comments on its approach in preparing grant recommendations. In some cases, information received by councils can trigger a review of one or more elements of its methodologies.

The Commission consults extensively with councils on proposed changes to its methodologies, often involving more than one round of consultation. The hearings and visits also provide an opportunity to consult on proposed changes to its methodologies.

The Commission implements changes when it deems appropriate, after considering all relevant matters and comments from councils.

Data sources

The Commission's models are primarily data driven, which means that significant changes in data can influence calculated grant shares. The Commission takes the accuracy and consistency of data seriously and actively seeks to increase the integrity of data used within its assessments. The Commission uses data from many sources to inform its models and decisions.

The main datasets used by the Commission to inform its models, and the data sources, are detailed in Table 36:

Table 36 Tasmanian data sources

Data used	***Sourced from***
Population, population dispersion, workforce movements, place of usual residence, dwellings unoccupied to total dwellings as per Census night survey, Index of Relative Socio-economic Disadvantage	Australian Bureau of Statistics (ABS) (Commonwealth)
Assessed annual values data by municipality	Office of the Valuer-General (Department of Natural Resources and Environment Tasmania)
Domestic day tripper data Bed capacity data	Tourism Research Australia (Commonwealth) Tiger Tours (Tourism Tasmania)
Rainfall data	Bureau of Meteorology (Commonwealth)
Medical practice and airport costing data	Affected councils
Council revenue and expenditure, by function / expense category, grant and other financial support receipts received	Office of Local Government (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)
Road lengths and type	Office of Local Government (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)
Roads to Recovery funding	Department of Infrastructure, Transport, Regional Development, Communications and the Arts (Commonwealth)
Tasmanian Freight Survey – freight task by council road network by road type	Department of State Growth (Tasmania)
Road component construction costs, Road and Bridge Construction Index	Australian Institute of Quantity Surveyors Australian Bureau of Statistics Consultant Engineers Councils
Geographic Information System (GIS) rainfall and terrain data broken down by road type and road slope	Department of Natural Resources and Environment Tasmania
Bridge and culvert asset inventory, including location, dimensions and construction type	Office of Local Government (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)

Further information on the Tasmanian State Grants Commission's methodology for determining its 2022–23 Financial Assistance Grants recommendations is provided in the State Grants Commission Financial Assistance Grants Distribution Methodology Paper, the State Grants Commission 2021–22 Annual Report, including 2022–23 Financial Assistance Grant Recommendations (Report #46), and the State Grants Commission 2022–23 Financial Assistance Grant Data Tables, all of which are available on the Publications Page of the State Grants Commission website at: www.treasury.tas.gov.au/state-grants-commission/publications.

Methodology changes for 2022–23 from that used in 2021–22

2022–23 methodology

For the 2022–23 General Purpose recommendations, the Commission made the following methodological changes:

- It removed the Population Decline cost adjustor based on feedback received during the hearings and visits, which indicated that population decline was no longer a material cost disadvantage for Tasmanian councils
- It reduced the cap from +15 to +10 per cent while increasing the floor from –10 to 0 per cent. This decision was primarily based on the higher variability in factors, such as the aggregate Assessed Annual Values for each council, due to recent economic and social trends.

Legislative change

There were no changes made to the *State Grants Commission Act 1976* during the 2022–23 year.

Initiatives undertaken and services provided to Aboriginal and Torres Strait Islander communities

Significant work was undertaken in the reporting year to better understand the services and initiatives of Tasmanian councils undertaken for the benefit of Tasmanian Aboriginal communities and Aboriginal and Torres Strait Islander people in Tasmania.

Under the *Closing the Gap Tasmanian Implementation Plan 2021–2023*, the Office of Local Government (OLG) in the Department of Premier and Cabinet completed a Local Government Aboriginal Audit (the Audit). The aim of the Audit was to understand the breadth of existing services and actions currently underway by Tasmanian councils. Twenty-eight out of the 29 councils in Tasmania participated in the Audit.

The Audit's objective was to capture the existing work of local government to ensure its alignment with the four Priority Reforms contained within the National Agreement. The Audit was also undertaken to confirm alignment with the Key Targets of the National Agreement. The information from the Audit will be used to inform existing and future partnerships to identify and establish priority work aligned to the National Agreement.

The Audit report has been distributed to the Minister for Aboriginal Affairs, the Local Government Association of Tasmania (LGAT), Aboriginal Partnerships (formerly Office of Aboriginal Affairs) within the Department of Premier and Cabinet and all councils. The Audit report was presented to the Coalition of Peaks earlier this year.

Key Findings from the Audit

The Audit identified a range of findings which were presented in the final Report. These findings related to priorities identified in the Closing the Gap Tasmanian Implementation Plan 2021–2023. The findings related to the following key areas:

- Formal partnerships and shared decision-making;
- Building the community-controlled sector;
- Transforming government organisations; and
- Shared access to data and information at a regional level.

The findings are summarised in the sections below.

Priority Reform one – Formal partnerships and shared decision-making

- Many councils noted that they have informal partnerships and shared decision-making arrangements in place. These related to existing relationships with local Aboriginal elders or local Aboriginal Community-Controlled Organisations (ACCOs). They were consulted as needed on specific matters such as service provision, resource management, projects, developments or plans that affect the Aboriginal community.
- One council mentioned that it employs an Aboriginal Liaison Officer in a casual capacity.
- Several councils indicated that they either sponsor or support Aboriginal-focused events, including art programs, cultural programs, educational programs (such as cultural awareness workshops, history talks, interpretation trails, walking tours, Aboriginal education programs for children and school holiday programs), NAIDOC week, reconciliation activities, and health and wellbeing programs.
- Some councils have also undertaken projects aimed at understanding and promoting the recognition, protection, and management of Aboriginal cultural heritage within their municipality.
- Many councils expressed a willingness to explore avenues for engaging with their local Aboriginal community.
- Councils reported that Reconciliation Action Plans are a useful tool for building partnerships with the Aboriginal community.

Priority Reform two – Building the community-controlled sector

- Twelve councils expressed that they offer staff opportunities for training and development with ACCOs and other relevant non-government organisations.
- At the time of the Audit, no council had an Aboriginal Employment Strategy in place. Three councils indicated that they were in the process of developing such a strategy. Another council noted that it intends to adopt cultural leave as part of its leave policy.
- Several councils noted that specific policies and activities were included as specific actions under their Reconciliation Action Plan.

Priority Reform three – Transforming government organisations

- At the time of the Audit, all but one of the 28 councils had at least one symbol of welcome.
- The outlying council has, since the completion of the Audit, provided a symbol of welcome at the council's premises.
- These symbols of welcome can be found in visitor information centres, outside and inside council chambers, museums, community hubs and other council buildings and facilities.
- One council was identified in allocating funds in its draft budget for enhancing cultural safety of the workplace and public areas.
- Welcomes to Country and Acknowledgements of Country, while not council policy in general, are standard practices at council meetings, committee meetings and public events. Welcomes to Country and smoking ceremonies are also standard practices at some councils' citizenship ceremonies.

Priority Reform four – Shared access to data and information at a regional level

- Many councils indicated that they generally sought feedback about council services and programs from their respective Aboriginal communities.
- Some councils identified the Australian Bureau of Statistics and publications of the consultancy firm .id as useful sources for current demographic and socio-economic information about Aboriginal people within their municipality.

Identified Next Steps

- The Office of Local Government will work with Aboriginal Partnerships to use the information from the Audit and commence implementing initiatives. These initiatives will be ones identified by the Aboriginal community as priorities for councils.

Local government reform activities during the 2022–2023 reporting period, including deregulation and legislative changes

Future of Local Government Review

The Future of Local Government Review (the Review) concluded following the Local Government Board (the Board) providing its final report on 31 October 2023 to the Minister for Local Government. The Board undertook a comprehensive 22-month review into the design, role, and function of local government in Tasmania.

In the third and final stage of the Review, the Board undertook significant and numerous formal engagements with the local government sector and the Tasmanian community to inform the final report.

Following the end of Stage 2, the Board took the view that Tasmania's current council system is having a significant and detrimental impact on councils' ability to deliver sustainable services and manage assets. These challenges relate to the ability of councils to attract and retain key staff, to uniformly manage assets well, and to deliver important regulatory functions. The Board identified, with the local government sector broadly agreeing with the sentiment, that the status quo is not an optimal or sustainable model for the sector. It was the Board's view going into Stage 3 that some form of consolidation is necessary to deliver greater economies of scale and scope.

Following concerns from the local government sector and the community, the Tasmanian Government announced in July 2023 that it would not pursue forced council amalgamations as part of its response to the final recommendations of the Review by the Board.

The Board's final report to the Tasmanian Government considers a range of reforms – including those related to proposed structural reforms. These structural reforms are intended to be voluntary and community-driven. The Board approached structural reform alongside recommendations for a model to develop shared services between councils. The Board's recommendations in the final report discuss a 'hybrid' structural reform approach, with major boundary reform proposals presented in combination with the development and establishment of shared service structures for a limited range of functions.

These recommendations were part of a holistic package of reform which the Board believe can increase sector-wide capability by consolidating the delivery of effective and efficient services to all Tasmanians. The Board's recommendations further seek to preserve local representation and strengthen local jobs and opportunity.

Local Government Amendment (Code of Conduct) Bill 2022

The Local Government Amendment (Code of Conduct) Act 2023 (the amending Act) received royal assent in September 2023, following from its introduction in the House of Assembly in November 2022. The amending Act is a component of a continuing reform package aimed at strengthening and modernising the Local Government Code of Conduct Framework. Its provisions will commence upon proclamation at a future date, anticipated shortly.

Alongside the amending Act, the Tasmanian Government is progressing additional changes to the Code of Conduct Framework by amending the *Local Government (General) Regulations 2015* and the *Local Government (Model Code of Conduct) Order 2016.* This is to ensure that the intent of the amending Act's legislative changes are reflected in these supporting instruments. Most substantive among these changes is the prescription of parameters for councils to include within local dispute resolution policies councils are required to adopt as a result of the amending Act. This is intended to reduce the prevalence of complaints escalating beyond their local contexts, and to reduce instances of vexatious, trivial, or frivolous complaints expending significant administrative resources, with impacts on both complainants and those subject to complaints.

Alongside these reforms, the Tasmanian Government is progressing a feasibility study into the transfer of administrative responsibilities of the Code of Conduct Framework. The Code of Conduct Panel, a statutory entity, is supported administratively by the Office of Local Government. The feasibility study considers shifting this function entirely, or partially, to the Tasmanian Civil and Administrative Tribunal.

If implemented, this would bring Tasmania into line with most Australian state and territories where councillor conduct issues are either wholly, or upon escalation, referral, or appeal, a matter for administrative tribunals or similar.

Local Government (Miscellaneous Amendments) Bill 2023

The Local Government (Miscellaneous Amendments) Bill 2023 received its third reading in the Legislative Council in November 2023, and received Royal Assent on 20 November 2023.

The Bill reintroduces a legislated requirement that councils appoint and promote employees according to the principle of merit, constructed to align with Tasmania's *State Service Act 2000*. It introduces complementary requirements for the appointment of general managers by councillors, including an explicit requirement that councils invite applications for a substantive vacancy in the role, with narrowly-constructed exemptions. The Bill lastly contains minor modernising amendments in respect of electronic business practices and statutory consultation requirements.

Reports of the Tasmanian Integrity Commission and the Tasmanian Audit Office of February 2023 and October 2021, respectively, identified systemic issues in respect of council employee and general manager recruitment and performance management, respectively. These reports were the impetus for the legislated reforms.

B9 Report from the Northern Territory Government

The method for distributing funding under the Financial Assistance Grant program to local government for 2022–23 by the Northern Territory Grants Commission

The Northern Territory Grants Commission's (the Commission's) methodology conforms to the requirement for horizontal equalisation as set out in section 6 (3) of the *Local Government (Financial Assistance) Act 1995 (Cth)*.

The Commission, in assessing relative need for allocating general purpose funding, uses the balanced budget approach to horizontally equalise, based on the formula:

Assessed expenditure need minus assessed revenue capacity = assessed equalisation requirement.

The methodology calculates standards by applying cost adjustors and average weightings to assess each local government's revenue-raising capacity and expenditure need. The assessment is the Commission's measure of each local government's ability to function at the average standard in accordance with the National Principles.

Population

The Commission used the 30 June 2021 Northern Territory estimated resident regional population distribution figures released by the Australian Bureau of Statistics (ABS) as the basis for the Commission to reconcile the estimated resident total population, advised by Canberra through the final funding by jurisdiction for distributing the 2022–23 methodology.

Revenue-raising capacity

As the ownership of the land on which many communities are located across the Northern Territory is vested in land trusts established pursuant to the *Aboriginal Lands Rights (Northern Territory) Act 1976 (Cth)*, it is not feasible to use a land valuation system solely as the means for assessing revenue-raising capacity.

The collection of actual accurate financial data through the Commission's annual returns enabled a number of revenue categories to be introduced, including municipal and regional and shire council rates, domestic waste and interest.

In addition, to accord with the National Principles, other grant support to local governing bodies by way of the Roads to Recovery, library and local roads grants are recognised in the revenue component of the methodology. In the case of recipients of the Roads to Recovery grants, 50 per cent of the grant was included. Recipients of library grants and local roads grants have the total amount of the grant included.

The Commission considers that given unique circumstances within the Northern Territory, this overall revenue raising capacity approach provides a reasonable indication of a council's revenue raising capacity. For the 2022–23 allocations, financial data in respect of the 2020–21 year was used.

Expenditure needs

The assessment of standard expenditure is based on the Northern Territory's average per capita expenditure within the expenditure functions to which cost adjustors reflecting the assessed disadvantage of each local government are applied.

The Commission currently uses the 9 expenditure functions in accordance with the Australian Bureau of Statistics Local Government Purpose Classifications. The assessment model ensures that the gross standard expenditure for each function equals the total actual identified expenditure of councils.

The total identified local government expenditure across all the Northern Territory councils in 2020–21 amounted to $324 million. Therefore, under the methodology the gross standard expenditure equals $324 million, with each of the 9 expenditure functions assuming the same share of both actual and standardised expenditure.

Cost adjustors

The Commission uses cost adjustors to reflect a local government's demographics, geographical location, its external access and the area over which it is required to provide local government services. All these influence the cost of service delivery. The Commission used location, dispersion and Aboriginality as cost adjustors for the 2022–23 methodology.

Minimum grants

For most local governments, the assessed expenditure needs exceed the assessed revenue capacity, meaning there is an assessed need. In 2022–23, 3 councils' assessed revenue capacity was greater than assessed expenditure need, meaning that there was no assessed need. However, as the legislation requires that local governments cannot get less than 30 per cent of what they would have been allocated had the funding been distributed solely on the basis of population, the 3 local government councils still received a grant by applying the minimum grant National Principle.

Formula

1. Revenue component

Table 37 Formula for revenue component for all councils in the Northern Territory

Element of the formula	*Details of the element*
Assessed Revenue Raising Capacity	Total Identified Local Government Revenue
Total Local Government revenue	Assessed Northern Territory average revenue + other grant support + budget term
Revenue category	Domestic waste, garbage other, municipal rates, regional and shire rates, special rates other, parking restricted and interest
Domestic waste	Per capita
Garbage other	Actual
Municipal council rates	Average rate
Regional and shire rates	Per capita
Special rates other	Actual
Parking restricted	Actual
Interest	Actual
State income by revenue category 2020–21	Actual state local government gross income
Actual state local government gross income 2020–21	$211 769 842
Other grant support	Roads to Recovery grant 2021–22 (50%), library grant 2021–22 and road grant
Budget term	Population x per capita amount
Total local government revenue for 2022–23 allocations	**$323,798,665**

2. Expenditure components

Total local government expenditure of $323,798,665 apportioned over each expenditure component

a. **General public services ($115,220,573)**

Community population/Northern Territory population multiplied by general public services expenditure multiplied by Aboriginality

b. **Public order and safety ($19,717,851)**

Community population/Northern Territory population multiplied by public order and safety expenditure multiplied by (location + dispersion + Aboriginality)

c. **Economic affairs ($39,067,964)**

Community population/Northern Territory population multiplied by economic affairs expenditure multiplied by (location + dispersion)

d. **Environmental protection ($16,942,692)**

Community population/Northern Territory population multiplied by environmental protection expenditure

e. **Housing and community amenities ($42,795,212)**

Community population/Northern Territory population multiplied by housing and community amenities expenditure multiplied by (location + dispersion + Aboriginality)

f. **Health ($6,715,571)**

Community population/Northern Territory population multiplied by health expenditure multiplied by (location + dispersion + Aboriginality)

g. **Recreation, culture and religion ($58,287,369)**

Community population/Northern Territory population multiplied by recreation, culture and religion expenditure multiplied by (location + dispersion)

h. **Education ($1,188,269)**

Community population/Northern Territory population multiplied by education expenditure multiplied by (location + dispersion + Aboriginality)

i. **Social protection ($23,863,164)**

Community population/Northern Territory population multiplied by social protection expenditure multiplied by (location + dispersion + Aboriginality)

3. Local road grant funding

To determine the local road grant the Commission applies a weighting to each council by road length and surface type. These weightings are shown in Table 38.

Table 38 Weightings by road type in the Northern Territory

Road type	*Weighting*
Sealed	27.0
Gravel	12.0
Cycle path	10.0
Formed	7.0
Unformed	1.0

The general purpose location factor is also applied to recognise relative isolation.

Methodology changes for 2022–23 from that used in 2021–22

The 2022–23 general-purpose entitlement was calculated using the current methodology and incorporating the latest estimates of resident population from the ABS. The Northern Territory reflected a population growth, increasing by 2751 from the previous year. This resulted in most councils receiving more than 4 per cent increases in funding from 2021-22 levels, however two councils recorded population decreases. Lower population numbers would have resulted in a substantial decrease in general purpose funding from the previous year however the Commission applied a “loss assist factor” to ensure that no council was allocated a general purpose grant decrease of more than 5 per cent.

The outcomes for the road grant entitlements resulted in all councils and the Local Government Association of the Northern Territory receiving a funding increase in 2022-23. The road grant distributions primarily reflects the increase in the overall funding entitlement and council’s road data changes as advised through the annual road return process.

Developments in the use of long-term financial and asset management plans by local governments

In 2022–23, a new mandatory Guideline 5: Budgets issued under the under the *Local Government Act 2019* (NT) (the Act). Guideline 5 was approved in July 2022, which provides the mandatory template all councils must use to publish their budget in. Guideline 5 includes the following two Statements in relation to budgeted capital expenditure for current and outer years:

- Statement 2 – budgeted Capital Expenditure and Funding. Table 2.1 requires councils to publish the budget by class of infrastructure property, plant and equipment for the current financial year and separately for outer years 1, 2, 3 and over three years. The table is to show planned expenditure for classes of assets and sources of funding for the planned capital expenditure.
- Statement 3 – Planned Major Capital Works and projected costing – Table 3.1 requires councils to publish their budget by Planned Major Capital Works with the budget table reporting major capital works projects that are either in progress, that will continue over more than one financial year or will be completed in the current financial year (including projects that are started and completed in the current financial year).

During the year council's commenced preparing their annual budget using the prescribed annual budget reporting format and providing the additional reporting required on planned capital expenditure and major capital works at council and local authority levels.

In 2022–23, a new mandatory Monthly Financial Report Form was issued under the Act, which requires all councils to publish actual expenditure and funding against the budget in the same format as Guideline 5's Statement 2 – budgeted Capital Expenditure and Funding (with actual results to be reported on a monthly basis); and Statement 3 – Planned Major Capital Works and projected costing (to be reported on a quarterly basis).

During the year, councils commenced preparing their monthly financial reports using the prescribed monthly financial reporting format and following the additional requirements regarding regular reporting on major capital works and capital expenditure.

For 2022–23, councils established their internal reporting and recording systems and processes to comply with the following mandatory requirements under the Act:

- Reviewing council's annual budget at least once in every six months and, where a budget amendment had a material impact on the council's long-term financial plan, the council was required by resolution to amend the long-term financial plan (Regulation 9)
- Keeping electronic registers of council's major assets and portable and attractive assets and recording the minimum information required in the registers (Guideline 4).

Actions to develop and implement comparative performance measures between local governing bodies

In 2022–23, new Guidelines, Forms and a General Instruction were developed and issued under the Act to enable comparison of performance between councils and promote consistency in reporting. These new mandatory requirements included:

- Guideline 5: Budgets – prescribes a mandatory format all councils must use for their budget publication.

- Guideline 6: Annual Report – requires all councils to publish a comparison of actual financial performance against the budget for the year with an explanation on material variations. This is to be included in the unaudited section of their annual report.
- Monthly Financial Report Form – requires all councils to publish their monthly report in a standardised monthly reporting format with prescribed content.
- General Instruction 2 – Annual Financial Statement – further expands the reporting requirements of Australian Accounting Standards Board 124 – Related Party Disclosures by mandating all councils to publish the total remuneration individually paid to council's permanent, acting and temporary Chief Executive Officers.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

In 2022–23, a new $2.85 million Local Government Community Places for People grant was established by the Department of the Chief Minister and Cabinet. The purpose of the program is to enable regional and shire councils to apply for funding to establish more liveable spaces in their communities, and deliver initiatives that make public places attractive, comfortable, family-friendly and peaceful places to live and work.

The types of projects that would be eligible for funding under this program includes:

- Establishing water sensitive green spaces in communities, including parks, playgrounds and other community meeting places
- Increasing tree planting and native grasses and plants in public places
- Above and below ground irrigation
- Erecting shade structures or shaded outdoor seating areas
- Heat mitigation measures for public spaces such as mist sprays, fans and water bubblers
- Improvement to outdoor areas and street frontage including energy efficient lighting
- Community beautification such as street art, repainting, green walls, window boxes or community gardens
- Improving accessibility through improved footpaths, ramps and rails for disability access.

Conditional Rating

On 27 April 2023, the Minister for Local Government increased conditional rates for mining tenements and pastoral leases by 36 per cent for 2023–24. It is intended the rates be increased by 36 per cent each year for three years (2022–23, 2023–24 and 2024–25). The increases in rates compound each year, equating to a total increase of approximately 150 per cent.

The levels of conditional rates are determined by the Minister for Local Government but the rates are imposed, collected and utilised by individual local government councils. Pastoralists and miners pay rates in other Australian jurisdictions, generally at levels that are significantly higher than the rates imposed in the Northern Territory.

Initiatives undertaken and services provided by local government to Aboriginal and Torres Strait Islanders

In 2014, local authorities were established in 63 remote communities across the Northern Territory. A further 3 local authorities were approved in 2017–18 and another one was approved in 2019–20. The primary role of local authorities is to offer community members living in regional and remote communities a stronger local voice and input on service delivery outcomes for their respective communities. One of the functions of local authorities is to determine local projects that reflect the needs and priorities of the local community.

In 2022–23, grant funding of $3.7 million was allocated across the 9 regional councils to assist with funding priority projects, as identified by their respective local authorities. Local Authority Project Funding supports projects that encourage the continued development of local authorities and their communities and aims to:

- build stronger communities
- help local governing bodies and their communities become stronger and self-sustaining
- provide quality community infrastructure that facilitates community activity and integration
- develop local government capacity to provide legitimate representation, effective governance, improved service delivery and sustainable development.

The funding pool is distributed to local authorities through a methodology developed by the Northern Territory Grants Commission.

In 2022–23, grant funding totaling $8.6 million was allocated to 9 regional councils and one shire council under the Indigenous Jobs Development Fund to assist with subsidising 50 per cent of the cost of employing Aboriginal staff within their respective councils. The grant provides councils with financial assistance for salaries and approved on-costs for Aboriginal employees delivering local government services. Around 500 positions are supported through this program.

Local Authority Review

The Local Authority Review and Implementation Plan was developed to strengthen role of local authorities and community participation and engagement. The Department of the Chief Minister and Cabinet has revised guidelines in order to enable greater flexibility and responsiveness to communities and more discretion in utilising dedicated funding.

Councils are being encouraged to delegate decision making to their local authorities, and local authorities are considering their representation process to ensure representation and involvement of Traditional Owners, Young People, Women and other groups are more involved in decision making.

Training

Culturally appropriate training on the Role of the Chair and Working Together was developed in conjunction with the Aboriginal Governance and Management Program and delivered to Local Authority Chairs and Deputy Chairs.

Local government reform activities including deregulation and legislative changes

Commencement of the Burial and Cremation Act 2022

In 2022, the Legislative Assembly of the Northern Territory passed the *Burial and Cremation Act 2022* leading to its commencement on 28 November 2022. The previous legislation, the *Cemeteries Act 1952*, was outdated and did not recognise burial areas on Aboriginal land, which over many years resulted in widespread non-compliance with that legislation and the creation of legacy issues. In particular, burials were not consistently recorded in regional and remote communities across the Northern Territory.

The burial and cremation legislation was developed, and is being implemented through collaboration and consultations with key stakeholders including Aboriginal organisations, local government councils, Land Councils, Commonwealth and other NT Government agencies, funeral service providers, and various Northern Territory entities that have a direct interest in burial and cremation matters. It acknowledges and respects the rich history of traditional Aboriginal funerary practices, recognising without interference how deceased loved ones are honoured after death.

The legislation also aligns with the NT Government's commitments under the National Agreement on Closing the Gap (the National Agreement), thereby empowering Aboriginal Territorians to make decisions about, and effectively plan for the use and management of burial areas on Aboriginal land. Specifically, the legislation:

- enables and accommodates different methods and practices for the burial, exhumation and disposal of human remains, including respecting the rights of Aboriginal people to practice customs and traditions in relation to burials and exhumations
- ensures records of burials, exhumations and disposals of human remains are kept and maintained for the benefit of next of kin and future generations
- regulates record keeping for the protection and maintenance of burial sites
- recognises different burial areas across the Northern Territory
- regulates the management of cemeteries in a way that takes into account economic, social, cultural and regional interests
- regulates facilities for the disposal of human remains such as crematoriums.

Representation Committee – Introduction of Palmerston Wards

On 1 July 2022, the City of Palmerston's local government boundary was expanded to include unincorporated land from the Berrimah (excluding Northcrest), Elrundie, Tivendale and Wishart areas. The Council currently consists of a Mayor and seven councillors and the Council's area does not have a ward structure.

In February 2023, the Local Government Representation Committee released its first Determination into the review of local government council representation in the Northern Territory, and determined that the existing council representation structures for all councils will remain unchanged, except for the City of Palmerston council area, where a three ward structure will be introduced, and recommended that the number of ordinary members be increased from 7 to 8.

The Committee is an independent body established under the Act and may determine:

- whether a local government area is divided into wards
- the number of wards
- the boundaries of the wards
- the number of ordinary members for each ward.

While other aspects of the Determination must be implemented, an increase to the number of elected members is at the discretion of the Minister for Local Government.

The Council's three ward structure is to take effect from the local government elections in August 2025.

Remuneration Tribunal Determinations

On 24 January 2023, the Northern Territory Remuneration Tribunal made its first determinations of local authority and council member allowances. The Determinations commenced on 1 July 2023.

The Determination of council member allowances replaces Guideline 2A: Council member allowances, in accordance with section 353 of the Act, where allowances were previously determined by the Minister for Local Government.

Amendments made under the *Local Government Amendment (Remuneration) Act 2022* gave the Remuneration Tribunal broader scope to determine council member and local authority member allowances.

The Determination provides modest increases to allowances for City of Darwin, City of Palmerston and Alice Springs Town Council. There are more significant increases for all regional councils and Katherine Town Council, and particularly for Coomalie Community Government Council (except for the Mayor) and Litchfield Council.

In late 2023, the Remuneration Tribunal will begin consulting on a new Determination of council member allowances that will apply from 2024–25. This will allow councils to make submissions to the Tribunal on aspects of the initial Determination that have impacted council members.

Groote Archipelago Local Decision Making (LDM) Agreement

On 14 November 2018, the Groote LDM Agreement was signed by the NT Government and the Anindilyakwa Land Council (ALC) which agreed in-principle that:

- the Groote Archipelago region is taken out of the East Arnhem Regional Council (EARC) area and a new regional council is established for the archipelago
- the Anindilyakwa people take responsibility for local government in the Groote Archipelago, by the establishment of a new regional council.

To gauge community support of the LDM's aspiration to establish a new regional council, a series of community engagement sessions across EARC's communities were held, with the majority of community members being supportive of the establishment of a new regional council, provided there was no deterioration in service delivery across the region.

In June 2022, the NT Government endorsed the establishment of a prospective council in the Groote Archipelago. A manager of the prospective council was appointed by the Minister for Local Government via gazette notice in August 2022. The manager of the prospective council was to enter into discussions with the ALC and EARC regarding their respective financial and in-kind contributions and prepare a report detailing the level of funding the NT Government would need to commit to establish a new regional council. This report was considered by the NT Government in 2022–23 and a funding commitment was made to proceed with the establishment of the new regional council.

Regulatory Framework

The Department of the Chief Minister and Cabinet is developing a new regulatory framework that will reflect best practice sector regulation. The regulation approach will be more enabling and focused on prevention, support and capacity building. The framework will undergo further consultation with the sector and will be rolled out in the current financial year.

B10 Report from the Australian Capital Territory Government

Preamble

The ACT Government administers the Australian Capital Territory (ACT) as a city state jurisdiction, unique within the Australian Federation. As a result, there is little or no differentiation in ACT Government service provision between typical state or local government functions. This is demonstrated by the ACT Government's engagement with local government through membership of the Canberra Region Joint Organisation and the Council of Capital City Lord Mayors, as well as engagement with other jurisdictions through the National Cabinet.

The ACT Government is increasingly focused on enhancing Canberra's role as the regional centre for South East NSW and the relationships that exist across the Canberra Region. The ACT Government works closely with the NSW Government and local NSW governments in the Canberra Region to address matters of common interest. The ACT Government also engages with major cities in Australia to share solutions and advocate on city issues.

Developments in the use of long-term financial and asset management plans

The ACT Government Infrastructure Plan and Infrastructure Investment Program

The ACT Budget is formulated on a rolling four-year cycle with the infrastructure investment program extending to the fifth year. The additional year recognises the long lead time required for the development and planning of major capital works projects.

The five-year infrastructure investment program includes provisions for expected funding requirements for projects which are subject to approval or are commercially sensitive. This approach provides visibility and transparency in expected expenditure and facilitates sound budget management practice.

The infrastructure investment program is guided by the ACT Infrastructure Plan which sets out the Government's priorities and project pipeline over the short, medium and long term. The Plan was first released in 2019 and is being updated in tranches over the next two years.

The combination of annual publications of the five year infrastructure investment program and updates to the ACT Infrastructure Plan provides industry with an overview of the current infrastructure pipeline and future projects under consideration.

The Wellbeing Framework

All ACT Government business cases must include a Wellbeing Impact Assessment outlining the expected wellbeing impacts of the proposal. This requirement is a key component of embedding the ACT Government's Wellbeing Framework into public policy development to improve the quality of life for Canberrans.

The Framework comprises twelve wellbeing domains (and associated indicators and measures) including economic performance, living standards, access and connectivity, health, education, housing, environment and climate, governance and institutions, safety, identity and belonging, social connection, and time. Sitting outside the domains, but at the heart of the Framework, is a Personal Wellbeing Index which will provide a measure of the overall wellbeing of the ACT community over time.

Over the longer term, outcome data from the Framework will inform development of policies and programs to improve the quality of life for all Canberrans.

The Capital Framework

During 2022–23, the ACT Government continued to plan, manage and review capital works projects under its Capital Framework. The Capital Framework seeks to improve business case development, service and asset planning, as well as project definition and scope.

In early 2022–23 the updated Capital Framework was launched and will be used from the 2023–24 Budget process onwards. Updates to the Framework include the transition to an online web-based platform, greater emphasis on agency collaboration, enhanced guidance for measuring project development and implementation, as well as developing new templates, tools and online training.

Strategic Asset Management Plans

The ACT Government also supports a Strategic Asset Management program, providing financial assistance for agencies to establish Strategic Asset Management Plans for management of the Territory's assets. This program fosters better practice to increase the ACT's economic capacity, reduces future costs, and grows the city in a way that meets the changing needs of the ACT demographic and maintains current infrastructure.

Engagement with comparative performance measures between local governing bodies

The ACT Government does not currently undertake comparative performance measures with other local governments. However, the ACT Government does participate in the *Productivity Commission's Annual Report on Government Services*. The purpose of this report is to provide information on the equity, efficiency and effectiveness of Government Services in Australia.

The Report outlines ACT performance relative to other State and Territory jurisdictions on key Government services including: Education, Health, Community Services, Justice Services, Emergency Management and Housing and Homelessness.

Reforms undertaken to improve the efficiency and effectiveness of service delivery

Access Canberra

Access Canberra undertook numerous reforms to improve service delivery in 2022–23.

Customer Support

Access Canberra continued to support its vision for 'a safe and liveable city' through the delivery of essential government services to the community, ensuring regulatory protections across a range of areas, and striving to give Canberrans back time through providing connected, easy, and simple services and transactions regardless of the service channel chosen – online, by phone or in-person.

To further strengthen customer services, Access Canberra recruited an additional concierge at each Service Centre, replacing onsite security guards implemented during COVID–19. The additional concierges at the entrance of Service Centres provides a knowledgeable first point of contact helping customers with their transaction and paperwork to support an improved customer service experience.

Access Canberra also resumed services at the Dickson Specialised Centre in October 2022 through a bookable appointment only model. This was the first time such a model had been implemented in Service Centres.

In 2022–23, Access Canberra:

- completed 421,468 transactions through Service Centres.
- answered 348,883 customer calls through the Contact Centre.
- resolved 19,493 complaints and enquiries through the Resolution and Support Team.
- handled over 8 million digital transactions.
- offered 770 types of digital transactions including the introduction of applications for Recognition of Early Pregnancy Loss certificates, registration of pet cats, and applications for rapid antigen tests for community aged care and disability sector workers.

Business and occupational licence support

Access Canberra provides support to ACT businesses across several channels and teams, including the Event Coordination and Business Assist team. People wanting to start or grow a business are supported by the Event Coordination and Business Assist team which works closely with the licensing and regulatory areas of Access Canberra and across ACT Government to assist business owners in discovering and navigating the various approvals and endorsements required for a business. In June 2023, Access Canberra implemented a new appointment service for businesses to engage directly with the Event Coordination and Business Assist team. As of 30 June 2023, three businesses had engaged through this service.

Access Canberra also continued to support event organisers during 2022–23. As of 30 June 2023, Access Canberra had assisted 181 events to obtain 649 approvals and provided support to ensure events could continue. In addition, 43 businesses were supported to understand requirements around approvals.

E-conveyancing

Access Canberra rolled out electronic conveyancing (E-conveyancing) in December 2021. E-conveyancing offers the choice of digital transactions for most property settlements and transfers in the ACT streamlining the process for the conveyancing industry to engage with each other and lodge documentation with the Land Titles Office in Access Canberra.

A total of 50,677 documents were lodged through E-conveyancing in 2022–23 and the average timeframe to perform registrations in 2022–23 was 8 working days, down from 10 working days in 2021–22.

Compulsory conciliation conferences

Access Canberra continued the implementation of the compulsory conciliation scheme under the *Fair Trading (Australian Consumer Law) Act 1992*. The scheme allows the Commissioner for Fair Trading to require traders to attend a conciliation conference with consumers as an alternative dispute resolution process and access to justice.

Access Canberra implemented the compulsory conciliation process through a scaled pilot model over the first 12 months of operation. The pilot successfully operated from 1 May 2022 to 30 April 2023. In 75% of conciliation conferences attended by both parties, businesses and consumers have reached agreement. In approximately 28% of all matters, agreements were facilitated prior to a conference being held. Evaluation of the pilot is being undertaken to assess opportunities for improvement before commencing external stakeholder engagement to raise broader awareness of the scheme.

Transport Canberra and City Services

MyWay+ Ticketing System

Transport Canberra completed the procurement and contract signing for the transition from the current MyWay ticketing system to a new next generation ticketing MaaS (Mobility as a Service) solution that will provide a range of convenient payment options as well as a new, real time passenger information system and journey planner.

Zero Emission Transport Plan for Transport Canberra

Transport Canberra successfully delivered the first 12 battery electric buses into service, delivering quieter, cleaner and reliable services across the Transport Canberra network. These will part of a total of 106 zero emissions buses to be delivered over the next three years, replacing ageing diesel and gas-powered vehicles in the fleet.

Active Travel Plan

Significant progress was made on the development of the Plan, to achieve the overall goal of more Canberrans walking and cycling more often to improve quality of life. Key achievements include:

- Public engagement on the Active Travel Plan and *Strategic Cycle Network*;
- Establishment of a technical reference group focussed on guiding the development of the *Strategic Cycle Network and Design Guidance*;
- Community consultation on the conceptual design guide for enhancing intersection design for active travel access, with a specific focus on improving safety and accessibility;
- Launch of the *Rethink Your Routine* behavioural change campaign, including launch of the workplace travel toolkit, to encourage Canberrans to consider public transport and active travel alternatives, relieve road congestion and support sustainable workplace travel options.

Gender Sensitive Urban Design Guidelines

Developed the *Gender Sensitive Urban Design Framework and Toolkit* to set the highest benchmark for public spaces; ones that are equitable, inclusive, accessible, and safe for everyone, in particular women, girls, gender diverse and other vulnerable people. The framework was identified as an action in the ACT Women's Plan 2016–26 and sits within a broader policy context and has been informed by a number of policies and Acts. Most importantly it reflects the *Human Rights Act 2004*, the *ACT Discrimination Act 1991*, and the *ACT Wellbeing Framework 2020*. Additionally, it aims to inform and guide planning and urban design decisions across the ACT, particularly for practitioners and those working in the design of our cities and public spaces.

Strategic Road Maintenance and Renewal Program

Transport Canberra and City Services undertook extensive investigation with the Australian Road Research Board (ARRB) to review and optimise intervention targets and triggers for the Program. Intervention triggers have been amended to reflect a higher level of service, resulting in earlier intervention; this is complemented by a 52 per cent increase in expenditure on road maintenance, growing resurfacing of the network by 268,000 square metres annually to 1.26 million square metres. Ensuring the more than 3,200 km of sealed roads in the network are in good condition supports safe travel, reduces transport costs to the Government and road users, and increases community satisfaction.

Recycled plastic fibres in concrete

The ACT continued to monitor the trial of 100 per cent recycled commercial plastic fibres in reinforcing concrete used in path construction, instead of standard steel reinforcement, as a more environmentally friendly alternative. The cost is comparable to traditional methods, and is claimed to reduce carbon emissions by up to 90 per cent in comparison. Use of the product is expected to be incorporated into Transport Canberra and City Services standards by 2024, supporting broader use by all delivery agencies across Government.

Libraries ACT Mystery Box

The service delivers a monthly selection of books straight from the library to the customer's door. Selection is based on the customer's profile, matching their preferred subject or genre, format type and audience age. The service continues to be highly valued by the community, with 66,857 loans in 2022–23, particularly to families, with loans of children's material continuing to make up more than half of the service figures.

Rapid Response Mowing Crew

A pilot was trialled in 2022–23 to assist with surge mowing requests due to the third consecutive La Niña event. The ten person crew complemented existing crews, and responded to community service requests submitted through Fix My Street and triaged as 'react'. This model limited resources being diverted from scheduled activities and ensured hot spots were responded to faster; funding continues for the 2023–24 period.

European Wasp Queen Trapping Program

Transport Canberra and City Services collaborated with Core Enviro Solutions to develop an improved method for managing European Wasps. Non-toxic, non-chemical lure trap stations were deployed in 'hots spots' to trap queens as they emerge from hibernation thus prevent wasp nests from being developed. Transport Canberra and City Services and the Environment, Planning and Sustainable Development Directorate adopted the method for annual delivery, following successful trials, and in 2022–23, 150 traps were deployed, trapping 1,551 wasp queens, and preventing approximately 6.2 million more wasps being produced.

Cat Registration and Containment

Legislation was passed in 2022 to help Canberra's cats live longer and healthier lives while better protecting native wildlife:

- All cats must be registered, and details updated annually, to ensure Domestic Animal Services has up to date contact details for pet details to help reunite cats with their families quickly if they are lost or somewhere they should not be. As of the end of the 2022–23 financial year, over 150,000 cats have been registered.
- Expansion of cat containment across all of Canberra. Cats must be contained if they live in one of the 17 declared cat containment suburbs or if they are born after 1 July 2022. Containment means keeping cats on residents' premises 24-hours a day, including inside a house or apartment, an enclosed area in a backyard or courtyard, or a cat crate.

Community Services

Best Start

The Best Start for Canberra's Children: The First 1000 Days Strategy (Best Start) was launched in November 2022. Best Start is a whole-of-government strategy that requires ongoing collaboration from directorates in partnership with the community sector to bring about real improvement in outcomes for Canberra's children (and their families).

The development of Best Start as a Strategy with an accompanying Best Start Phase One Action Plan was informed by experts from the early years and early support sectors, including an Expert Reference Group, and people with diverse lived experience of the first 1000 days, including parents, early childhood educators and frontline service providers. The lived experience consultation was undertaken to make sure the goals of Best Start focus on the needs of Canberran families, and to ensure the goals are achievable.

The Best Start Phase One Action Plan has been developed with actions, not intended to duplicate any existing activities by local government (or the community sector) but rather to focus on opportunities for efficient service delivery, to support children and families in the first 1000 days, and for the long term. This is based on the premise that providing localised, appropriate evidence-based supports, from across the human services system will achieve efficiencies and effective local government service delivery.

Commissioning for Outcomes

Commissioning is a new way of designing, funding, and delivering a fit for purpose human services system within the ACT to ensure our services and programs are meeting the needs of our community, particularly those experiencing vulnerability or disadvantage.

In 2022–23, the Community Services Directorate continued the commissioning process to examine the current needs and gaps facing the ACT homelessness sector, and the potential service delivery and system improvements needed to ensure sustainability of the sector into the future. A series of engagement activities were undertaken with the homelessness sector, cross sector partners and those with a lived experience, culminating in the release of a Strategic Investment Plan for the Homelessness Sector in October 2022. This plan supported the investment phase of commissioning with the first round of grants/ tenders released to the sector during early 2023 to commence services in 2023–24.

In 2022–23, to progress this 10-year reform, the ACT Government refreshed the Commissioning Roadmap which identifies key actions required to realise Commissioning outcomes by 2030. The refresh reinforced the strategic reform priorities, provided greater clarity on the intention of each commissioning phase, and released the first suite of resources to develop key commissioning capabilities within both government and sector.

Reducing Homelessness

During 2022–23, the ACT Government continued to invest in the homelessness sector as part of its commitment to reducing homelessness, and to work with the sector to implement programs to respond to new and emerging groups at risk of homelessness. This includes:

- A further $3.266 million in funding to continue successful specialist homelessness programs that commenced operation during the COVID–19 pandemic, these initiatives build on funding provided previously by the ACT Government to expand the capacity of the specialist homelessness sector.
- Axial Housing First provides safe, secure housing for people with high and complex needs and those experiencing persistent homelessness. In 2022, an independent evaluation found Axial was highly effective in meeting the immediate physiological and safety needs of people experiencing chronic homelessness, with stakeholders/clients providing unanimous support for the program. The economic analysis found that for every $1 invested in Axial, at least $1.54 was returned (i.e., through the avoidance of crisis support).

- On 7 October 2022, Common Ground Dickson was officially opened. Common Ground is a model of multi-unit permanent supportive housing based on 'Housing First' principles designed to provide long-term, high-quality housing options for people on low income and those who are experiencing chronic homelessness. The Common Ground Dickson development includes 40 residential units, with a mix of one, two and three-bedroom apartments, as well as communal areas, community spaces, onsite support services and the provision of a social enterprise.

Strengthening Social Housing Assistance

The Government is continuing to implement the Growing and Renewing Public Housing Program, which supports the work of the ACT Housing Strategy and its goal to strengthen social housing assistance by delivering safe and affordable housing to support low income and disadvantaged Canberrans. The program sets targets to renew 1,000 properties and grow the portfolio by at least 400 homes by 2026–27.

In year 4 of the program, 221 new dwellings were added to the public housing portfolio through construction and purchase. This was offset by the sale of 117 dwellings and the demolition of 51 dwellings for redevelopment. As of 30 June 2023, 660 dwellings were in the construction pipeline made up of 337 dwellings under construction, 323 dwellings in pre-construction phases.

Economic Development

The Economic Development Division within the Chief Minister, Treasury and Economic Development Directorate facilitates the diversification and strengthening of the ACT economy. In 2022–23, Economic Development has delivered on the following operational and strategic initiatives:

- Finalised the JobTrainer Program, which delivered training in priority areas including aged care, early childhood education and care, disability care and digital skills courses and introduced the Fee Free TAFE initiative delivering around 2,500 fee free training places at the Canberra Institute of Technology in 2023.
- Launched key strategies for sport and recreation for 2023–2028 (CBR Next Move), the arts (Canberra: Australia's Arts Capital – Arts, Culture and Creative Policy 2022–2026 and the Arts, Culture and Creative Action Plan and Remuneration Principles and Practices for Artists and Arts Workers), and Tourism (T2030: ACT Tourism Strategy 2023–2030).
- Facilitated the Territory approval of the University of New South Wales Canberra City Campus Master Plan, a key milestone for the new campus being built on Constitution Avenue.
- Worked with Canberra's tertiary institutions to develop and implement Study Canberra's work plan, aligned to key marketing initiatives of these institutions to promote Canberra as an attractive education destination for international students.
- The Canberra Business Advice and Support Service continued throughout 2022–23, providing advice and guidance to more than 260 Canberra region businesses.
- Successfully returned Floriade to its traditional format in Commonwealth Park (for the first time since 2019) and achieved a record Enlighten Festival attendance, with the two events delivering a combined $45.7 million in direct economic benefit to the ACT.

Education

The Education Directorate delivers quality public school and early childhood education and care to shape every child's future and lay the foundation for lifelong development and learning. The Education Directorate has celebrated many achievements during 2022–23, with key highlights including:

- Work to strengthen inclusive education for students with disability in ACT public schools. The Government engaged with the ACT community to understand what makes a school inclusive for children and young people with disability, to help inform and shape a ten-year Inclusive Education Strategy. The Strategy and First Action Plan are expected to be launched before the end of 2023.
- Continuing to provide all year 7 to 12 students with a Chromebook and access to internet, if required.
- Continuing the Future of Education Equity Fund, ensuring that eligible students and families experiencing financial stress are able to apply for an annual grant to help cover the costs of education expenses.
- Launching the Meals at Schools pilot at 5 ACT public schools to provide free breakfast and lunch, 3 days per week until the end of 2024.
- Continuing the ACT Government's commitment to address the national teacher shortage by utilising ongoing recruitment campaigns and actioning the recommendations in the from the Teacher Shortage Taskforce Report released in August 2022.
- Partnering with education and care services to provide quality early childhood education for hundreds of three-year-old children experiencing vulnerability and disadvantage.
- Expanding the Continuity and Transitioning Framework to support children who are transitioning from early childhood education and care services to preschool.
- Delivering coaching support to preschools and early childhood education and care services from four Preschool Pathways Partners to build their knowledge, confidence and capacity to implement inclusive practices, enhance transitions and provide continuity for children and families.

Environment, Planning and Sustainable Development

Loose Fill Asbestos Insulation Eradication Scheme

The Loose Fill Asbestos Coordination team (LFAC) commenced operation on 1 July 2022, following the closure of the Asbestos Response Taskforce on 30 June 2022. LFAC has continued the work of the Taskforce in administrating the Loose Fill Asbestos Insulation Eradication Scheme. The Scheme has been in operation since 2014, and the past nine years have seen tremendous work progressed in eradicating loose fill insulation from the homes of Canberra. The vast majority of 1029 affected properties have been eradicated from the Canberra community. As of 5 July 2023, 1,011 affected properties have been removed from the Affected Residential Premises Register through the Scheme, Assisted Private and Self-Funded demolitions.

Unit Titles Reform Project

The ACT Government has completed the Unit Titles Reform Project. This work considered how unit title laws and policies could be improved to better support stakeholders, and in particular deal capably with mixed-use developments. It included legislative and non-legislative elements, such as a new web page delivering information about strata living.

Stage one concluded with the commencement of the provisions in the *Unit Titles Legislative Amendment Act 2020* on 1 November 2020. Stage Two of the project was focused on a second legislative reform Act. The provisions in the *Unit Titles Legislative Amendment Act 2023* commenced on 1 July 2023. They provide greater flexibility for those managing units and mixed-use developments, including by clarifying the circumstances around approval of sustainability infrastructure, and allowing for the sub-leasing of common areas of units plans for minor business activities, for example coffee carts. The stage two reforms also allow prospective owners access to a set of consolidated rules for units plans, establish a process for existing units plans to opt-in to a building management statement and streamline the unit titles application and approval process.

Environment

The Rapid Response Biosecurity Team was established in 2022 to target new incursions of invasive species in the ACT and combat the impacts of climate change. The unit monitors for new incursions of invasive species in the ACT and develops response actions in collaboration with the land manager and technical experts. In addition to addressing new incursions, this unit strengthens capacity with existing land management staff in addressing established invasive species programs for priority projects.

The Environment, Planning and Sustainable Development Directorate completed 84.3 per cent of the actions required under the 2022–23 Bushfire Operations Plan. Most incomplete works were associated with road maintenance and repairs that could not be completed due to rainfall events and subsequent saturation of catchments. The ACT Parks and Conservation Service delivered 9 of 14 fuel reduction burns across 858 hectares and 9 ecological burns over 17 hectares.

City Renewal

The City Renewal Authority is leading the transformation of Canberra's City Renewal Precinct, spanning Dickson, Northbourne Avenue, Haig Park, Civic and Acton. In implementing its renewal agenda, the Authority is working in partnership with the community, business and government to shape the growth of the central parts of the city to make it a great place to live, work, visit and play.

In 2022–23 the Authority continued work on the revitalisation of Acton Waterfront, with the completion of the boardwalk and the Acton Beach. Furthermore, the design work for the delivery of the new Acton Park commenced and progressed through community consultation, with key feedback from the community requesting the park design principles be focused around First Nations cultural interpretation and narrative. As part of this the Authority will continue to work with the local First Nations community utilising best practice and innovative approaches, seeking to build new skills, income and employment opportunities.

Health Services

In August 2022, the ACT Health Services Plan 2022–2030 was released. The plan sets a roadmap for this decade to redesign, invest in and redevelop health services funded by the ACT Government in the context of the whole health system in the ACT and region. Key focus areas in the plan are:

- Addressing key areas of service demand and reform
- Transitions of care
- The ACT's role as a local, Territory and regional service provider
- Strengthening core ACT Government funded clinical support services

Justice & Community Safety

The Justice and Community Safety Directorate seeks to maintain a fair, safe and peaceful community in the ACT where people's rights and interests are respected and protected. In 2022–23, the Directorate delivered a range of strategic and operational initiatives including:

- Strengthening ACT Emergency Services Agency to provide critical community support through the recruitment of the following personnel and volunteer cohorts:
  - ACT Fire & Rescue – 35 new urban firefighters (graduated)
  - ACT Ambulance Service – 17 graduate paramedic interns and an additional 10 paramedic interns through a lateral recruitment process
  - ACT Rural Fire Service – 53 new volunteer firefighters
  - ACT State Emergency Services – 95 new SES volunteers
- Implementation of driver simulators at the ACT Emergency Services Agency Training facility, which is an innovative approach towards exploring simulation within the training environment, reducing the use of vehicles in non-emergency response activities.

Funding to legal assistance services

In July 2022, the ACT released the inaugural Legal Assistance Strategy and Action Plan 2023–25 to increase access to justice to Canberra's most vulnerable. The Legal Assistance Strategy and Action Plan outlines strategic initiatives to strengthen the sustainability and capability of the legal assistance sector to meet the legal needs of Canberra's most vulnerable.

Throughout the 2022–23 year, the ACT has continued to progress the initiatives outlined in the inaugural Legal Assistance Strategy and Action Plan 2023–25. This includes:

- providing longer-term funding certainty to a number of legal assistance providers to ensure the continuation of core programs; and
- undertaking work to align existing ACT reporting cycles with reporting required under the National Legal Assistance Partnership Agreement 2020–2025, in order to reduce the complexity and resourcing required for government reporting.

Initiatives in relation to service delivery to Aboriginal and Torres Strait Islander communities

Education

The Koori Pre early childhood program delivers high quality and holistic preschool that is grounded in Aboriginal and Torres Strait Islander cultures, knowledges, and values, and recognises that children and their families are proud, strong and deadly. Koori Preschool is a preschool program for Aboriginal and Torres Strait Islander children aged 0 to 5 (children under three-years-old attend with an adult). The Koori Preschool Co-design, a key deliverable of the *Set Up for Success* early childhood strategy, was conducted over the 2022–2023 reporting period.

In November 2022, the Directorate launched resources developed through the Koori Preschool Co-design including the Koori Preschool Cultural Safety Framework, Koori Preschool Curriculum, 'About Koori Preschool' children's book and a Koori Preschool promotional video. These foundational resources work together to support Koori Preschools to meet the aspirations and expectations of Aboriginal and Torres Strait Islander communities.

Health Services

For the past two years, Canberra Health Services has worked in partnership with the Indigenous Allied Health Australia (IAHA) Academy program providing placements and pathways to employment to Year 11 and Year 12 students while they undertake a Certificate III in Allied Health Assistance. As part of the program, clinical supervisors completed Cultural Responsiveness Training through IAHA, and students self-reported positive placement experiences. Canberra Health Services is supporting the participants to transition into ongoing roles.

In February 2023, Canberra Health Services commenced a dedicated project to improve access for Aboriginal and Torres Strait Islander children on outpatient waitlists, including Ear Nose and Throat, Dermatology and General Paediatrics. Additional clinics have been established including weekend clinics.

In response to a review of 2017–2020 Canberra Health Services data for hospital separations for acute ear, nose, and throat infections for Aboriginal and Torres Strait Islander people, Canberra Health Services undertook specific actions to reduce the number of Aboriginal and Torres strait Islander people on the surgical wait list, with ongoing reductions in waiting list and long waiting list.

Since 2022, Canberra Health Services has been implementing Pathways to wellbeing for Aboriginal and Torres Strait Islander people with cancer project intended to improve the Aboriginal and Torres Strait Islander cancer journey and patient experience, including through Increasing access to and participation in breast, lung, and prostate cancer screening programs through culturally safe prevention and early intervention workshops.

Winnunga Nimmityjah Aboriginal Health and Community Services

Winnunga was able to provide access to a range of primary health services for Aboriginal and Torres Strait Islander peoples in the ACT, including harm reduction, mental health nurses, facilitating access to specialist services and coordinated services into the Alexander Maconochie Centre. The Government will continue to work in partnership with Winnunga to deliver a dedicated Aboriginal and Torres Strait Islander residential alcohol and drug rehabilitation service.

Ngunnawal Bush Healing Farm

The Ngunnawal Bush Healing Farm, funded recurrently by the ACT Government, provides programs that use a multi-modal therapeutic community approach, traditional healing concepts, cultural programs, and life skills training to tackle underlying social and emotional issues. The Ngunnawal Bush Healing Farm works with a range of services including health, social, community, educational, government and non-government to ensure community can access assistance based on individual needs.

Gugan-Gulwan

Gugan-Gulwan provides a range of health and wellbeing services for young Aboriginal and Torres Strait Islander peoples in the ACT and surrounding region. It delivers health and wellbeing programs such as Early Intervention, Mental Health and Wellbeing Services, Parenting Programs, a Youth Outreach Program, support for Alcohol and Other Drugs and Mental Health Nurse.

Thirrili

Thirrili delivers targeted, culturally appropriate services for Aboriginal and Torres Strait Islander people in the ACT. It supports suicide prevention, intervention, postvention and aftercare. The service has an early intervention focus that works towards a reduction in the causes, prevalence, and impact of suicide on Aboriginal and Torres Strait Islander individuals, their families, and communities.

Justice & Community Safety

In July 2022, the First Nations Justice Branch was established to provide a central team for First Nations Community consultation in the development and contract management of many of the justice related programs that are delivered to the ACT First Nations adult Community. Through working with our First Nations Community in developing programs and providing support to the Community organisations delivering them, the First Nations Justice Branch seeks to:

- reduce the overincarceration of First Nations people in the ACT and the rate at which our people come into contact with the justice system;
- partner with Aboriginal Community Controlled Organisations to facilitate self-determination;
- improve the ACT Government's ability to hear and respond to justice related concerns of the Community; and
- provide positive cultural influence within the Justice and Community Safety Directorate.

In April 2023, the ACT Government established the Care and Protection Legal Advocacy Service. The service, delivered by the Aboriginal Legal Service NSW/ACT, is designed to ensure that Aboriginal and Torres Strait Islander people coming into contact with the ACT's child protection system and their families have improved access to justice and are empowered to address their legal needs.

The Government provided funding for six programs during 2022–23 and provided contract management support to the Community organisations delivering the programs. These programs are:

- Yarrabi Bamirr – support for First Nations families to reduce or prevent contact with the justice system and consequently, improve life outcomes.
- Galambany Circle Sentencing Court Support – Support for people appearing before the Galambany Circle Sentencing Court. This Court gives eligible First Nations adults who have committed an offence a culturally relevant sentencing option, in consultation with local Elders.
- Extended Throughcare – A client-centred program designed to enable First Nations clients to succeed as they transition from prison to living back in the community.
- Yarning Circles –A series of yarning circles that focus on helping ex-detainees to stay in the community and rebuild their lives. The program supports re-establishing links to community and culture, restoring relationships with family, friends and peers and supporting and enabling clients to manage their own lives.
- Ngurrambai – Court-based bail support, outreach bail support, Alexander Maconochie Centre support and after-hours bail support. It is designed to reduce the number of First Nations people on remand, and help First Nations people to apply for, gain and stick to their bail conditions.
- Front Up – Provided by the Aboriginal Legal Service NSW/ACT to support First Nations people who have an outstanding warrant(s) or have breached bail or a community-based sentence. The program helps them to present to Court and negotiate on their behalf to have the matter resolved, where possible, without a period in custody.

Transport Canberra and City Services

The Aboriginal and Torres Strait Islander community bus services provides transport to those in the community who are unable to access standard transport services. The service enables Aboriginal and Torres Strait Islander elders' groups, juvenile and justice support groups, family groups and individuals to access medical appointments, significant cultural events, such as funerals, and social and sporting events. The community bus service provided 1,346 passenger movements in 2022–23.

The Directorate continued to maintain the Boomanulla Complex, which includes an oval, a commemorative garden, facilities building and an administrative building. During the reporting period, the activities room at the Boomanulla Complex was finalised to provide a safe space for Aboriginal and Torres Strait Islander groups to meet. Transport Canberra and City Services will continue to work with the community to develop a sustainable operating model that will see greater control by the Aboriginal and Torres Strait Islander community, and increased use of this unique resource.

Economic Development

Aboriginal and Torres Strait Islander Business Support

Since 2017, the ACT Government has engaged a provider to deliver support services to Aboriginal and Torres Strait Islander owned businesses. The program was gifted the name *Badji* by the Winanggaay Ngunnawal Language Corporation and is a Ngunnawal word meaning 'arise'. The program continued throughout 2022–23, providing culturally appropriate support to access mentoring and coaching, co-working office space and resources, and connections with existing eco-system programs.

An operational review of *Badji* was undertaken in May 2023, and supported exercising an option for the provider, Coolamon Advisors, to deliver the service for a second year and provided recommendations for further improving the program over this term.

Support for ACT Aboriginal and Torres Strait Islander communities through national and local policies

Community Services

In 2022–23, the Child and Youth Protection Services continued to support vulnerable children and young people, and their families and carers in the ACT, including establishing a First Nations Family Support Team, that provides a culturally safe and informed responses in the Child Protection setting. This team fosters community collaboration to ensure culturally safe referral pathways and work towards diverting Aboriginal children, young people, and families away from the Child Protection setting.

Housing

Under the Parliamentary and Governing Agreement for the 10th Legislative Assembly, the ACT Government committed to the establishment of an ACT Aboriginal and Torres Strait Islander Community Controlled Organisation for housing. In 2022–23, work has continued to focus on the development of a culturally appropriate Community Participation Approach and Implementation Framework. These will provide the Community Services Directorate with practical information about how to frame, design, engage, communicate, and review effective policy, programs and community engagement with ACT Aboriginal and Torres Strait Islander peoples relating to housing and homelessness needs.

Domestic Family and Sexual Violence Initiatives

In April 2009, the We Don't Shoot Our Wounded report (the WDSOW report) was released, based on a larger study looking at the experience of Aboriginal and Torres Strait Islander victim-survivors of domestic and family violence, and their access to justice and services.

The Domestic, Family and Sexual Violence Office worked closely with the Domestic Violence Prevention Council Aboriginal and Torres Strait Islander Reference Group (the DVPC Reference Group) to identify key recommendations from the WDSOW report for priority action. Recommendation 4 of the WDSOW report was identified by the DVPC Reference Group as a priority action.

In February 2023, the ACT Government commenced an open grants process to support the implementation of Recommendation 4 of the "We Don't Shoot Our Wounded..." report, to enable community organisation to apply for up to $530,000 (GST exclusive) in funding to provide a service where a range of legal, advocacy, practical and healing activities can be delivered for ACT Aboriginal and Torres Strait Islander women who have experienced domestic and family violence.

As a result of this process, the total funding amount of $530,000 was allocated to Yerrabi Yurwang Child and Family Aboriginal Corporation to establish and deliver their Nara-Gana-Wali Strengthening Families Program which aims to provide culturally safe and responsive support to Aboriginal and Torres Strait Islander women who have experienced, or are at risk of experiencing, domestic and family violence. The program will also include the provision of complex and intensive case management services.

In 2022–23, the ACT Government allocated $2.075 million of funding under the National Partnership Agreement on Family, Domestic and Sexual Violence to Family Domestic and Sexual Violence (FDSV) Grants. Over $1.1 million of grant funding from the FDSV Grants was awarded to programs providing services to Aboriginal and Torres Strait Islander people including to:

- Clybucca Dreaming Women's Outreach Program – building community for Aboriginal and Torres Strait Islander women who were formerly detainees of the Alexander Maconochie Centre who are living in the ACT and surrounding region and who have experienced domestic and family violence.
- Sisters in Spirit Aboriginal Corporation's Aboriginal Women's Advocacy program – an advocacy and support service for Aboriginal and Torres Strait Islander women and children in the ACT.
- Whispers Aboriginal and Torres Strait Islander Softball Corporation's Community Healing Our Way program – providing activities aimed at healing trauma and sharing information about domestic, family and sexual violence, including sporting activities, healing basket weaving, therapeutic art projects, food-tasting sessions run by traditional owners on Ngunnawal land and developing media and information materials.
- Yeddung Mura (Good Pathways) Aboriginal Corporation's Family, Domestic and Sexual Violence Aboriginal Support Program – supporting Aboriginal and Torres Strait Islander families affected by family, domestic and sexual violence through activities such as a diversion centre program, a trauma-informed community education program, family-centred healing camps and yarning circles incorporating financial services delivered by financial counsellors.

Health Services

In 2022–2023, the ACT Health Directorate continued the development of the Directorate Cultural Integrity Framework. The Framework aims to build cultural capabilities and recognition; embed a defined set of culturally strong values, demonstrated behaviours, attitudes, policies and structures; and to support working effectively and respectfully across all health, social, emotional, and cultural wellbeing areas. The Cultural Integrity Framework will be an important tool in supporting ACT Health Directorate's engagement of Aboriginal and Torres Strait Islander peoples in decision-making and policy/program design.

Deregulation and legislative change

Better Regulation Taskforce

In 2021–22, the Better Regulation Taskforce released *Better Regulation – a report on how we are improving business regulation in the ACT*. The Report details the ACT Government's forward work program, the Better Regulation Agenda, and is comprised of two key reform streams which progress in parallel:

- Stream 1: Policy and Legislation – continual improvements to rules, regulations, and processes.
- Stream 2: Business Experience and Regulator Practice – making government-to-business interactions better, faster, and simpler.

Following the release of this Report, the Taskforce has completed a suite of activities throughout 2022–23 that focused on improved regulatory quality and legislative reform across the ACT.

Procurement

Over 2022–23, the Taskforce reviewed procurement legislation, policies and administrative procedures, including a review of the Local Industry Participation Policy, to ensure the procurement framework is fit for purpose and reflects the ACT Government's commitment to local industry. As a part of the Review, an independent evaluation of the policy was conducted by Curijo Pty Ltd, a Canberra-based Indigenous-owned enterprise. This review found that the Policy is valued by business and has provided the ACT with an opportunity to strengthen the policy across several areas. The findings are now being considered, with the next phase of work to be led as part of the ACT Government's Procurement Reform Program.

Improving existing regulatory arrangements on the employment agents licensing framework

The Taskforce heard from ACT businesses that the employment agents licensing framework requires review. The Taskforce undertook public consultation and developed recommendations to improve existing regulatory arrangements. Options for reform to employment agents licensing following this consultation and review will be considered by government in 2023–24.

Short-term rental accommodation

In 2022, the Taskforce reviewed and publicly consulted on the current regulatory framework for short-term rental accommodation to determine whether a regulatory response is required. This included consideration of its impact in relation to housing affordability, amenity and its impact on the hotels sector. The findings of this review will assist the ACT Government in its consideration of the impacts of short-term rental accommodation on long term-rental supply and price and inform an exploration of any future regulatory responses required for this sector.

Occupational mobility

Over 2022–23, the Taskforce implemented Automatic Mutual Recognition (AMR) of individual occupational licensing in the ACT. 43 occupations were brought into AMR at its commencement on 1 July 2023, with additional occupations to come into the scheme over the next four years.

Night-time and entertainment economy review

Throughout 2022–23, the Taskforce undertook a review of the existing legislation, regulation, policies and processes related to the night-time economy (NTE), noting that this sector was significantly affected by the COVID–19 pandemic. The review aims to deliver a vibrant and diverse night-time economy in the ACT underpinned by improved regulatory and legislative requirements for businesses. Consultation with businesses, peak bodies, industry associations and the community will occur in August-September 2023 with the delivery of regulatory and legislative reform for issues such as liquor and noise to be considered from 2024 onward.

Mapping the End-to-End Business User Experience

In June 2023, the Taskforce completed a pilot project to map the end-to-end business user experience for selected business types that were heavily impacted by COVID–19. These included a range of food and drink businesses, pop-up businesses or temporary uses such as food stalls at events or markets. The Taskforce developed a current state blueprint covering research insights, business experiences, pain points, opportunities to improve the ACT Government's understanding of the processes businesses need to complete to comply with ACT regulations.

Having a complete picture of the 'journey' of businesses, from the point of starting through to running and growing a business, enables government to deliver best practice regulatory and procedural reform that is centred on the needs of business. Findings from this report are being used across several process improvement initiatives, strategic priorities such as the ACT Small Business Strategy 2023–2026, and to inform forthcoming regulatory quality actions in the Better Regulation Agenda.

Model rules for incorporated associations

Over 2022–23, the Taskforce heard that the model rules within the *Associations Incorporation Act 1991* (ACT) required review and updating. The Taskforce developed a set of draft model rules for public consultation and managed a consultation process. A revised set of rules are now in development and are on track for these to be introduced by September 2023, supported by an updated guide for incorporated associations.

Community Services

The Residential Tenancies Legislation Amendment Bill 2023 introduced changes aimed at strengthening tenants' rights and enjoyment of amenity of their rental property. The key amendment was the removal of the without cause tenancy termination provision ensuring tenancies can only be terminated for an identified reason. In addition, the Bill introduced provisions for the Commissioner for Housing providing greater clarity and certainty for public housing tenants and enables the Commissioner to best match houses with tenants' needs and changing life circumstances.

Environment, Planning and Sustainable Development

Climate Change and Energy

In April 2023, the ACT introduced a regulation for a minimum energy efficiency standard for ceiling insulation in rental homes. The regulation requires that rental homes with no insulation or insulation under R2 (where R value is a measure of the effectiveness of the insulation) must be upgraded to R5 (the R value typically installed in new builds in the ACT). The requirement to meet the standard will be phased in over time, with all properties anticipated to be compliant from 30 November 2026 (unless they have a valid exemption). The introduction of the minimum energy efficiency standard for rental homes will help improve energy performance, increase thermal comfort, reduce greenhouse gas emissions, and contribute to climate change resilience.

In support of the ACT's goal to reach net zero fossil fuel gas emissions by 2045, the ACT Government introduced a Bill in August 2022 that will allow a future regulation to be made that prohibits new gas network connections. The legislation passed in June 2023, and it is anticipated that a regulation prohibiting new gas network connections in all new commercial, residential and community facility zones will commence by the end of 2023.

Planning and Sustainable Development

During the 2022–23 financial year, the Environment, Planning and Sustainable Development Directorate undertook a range of reforms:

- Progressed work on swimming pool safety reforms to prevent death and serious injuries from drowning and non-fatal drownings in home swimming pools with a focus on regulatory reforms relating to pool barriers. Legislation is proposed for introduction in 2023.
- Commenced and progressed significant policy work on several improvements to the ACTs building regulatory system. A Building and Construction Legislation Amendment Bill 2023 will be introduced later in 2023. The Bill will include reforms which will improve the effectiveness of the ACT's building regulatory system, improve consumer protections, and introduce measures to improve building quality and safety.
- Progressed the *Electricity Safety Legislation Amendment Act 2023* to remove duplication of regulation of electrical wiring work for the current and future stages of the light rail project; and modernise the regulation of utilities to adapt to new developments in electrical technologies. The Act was passed by the Legislative Assembly on 9 February 2023 and commenced on 16 February 2023.
- Finalised the new *Planning Act 2023*. The Act sets the foundations for the planning system and was passed by the Legislative Assembly on 6 June 2023.
- Continued preparing the draft district strategies. The draft district strategies are a new level of strategic spatial planning in the ACT that will identify how, where and what growth might occur and what will be required to support this change.
- Continued preparing the draft new Territory Plan. The draft new Territory Plan is the statutory document that guides development in the ACT. The draft new Territory Plan provides greater clarity on what the intended and preferred outcomes are for places and development across the ACT, and how the development is expected to consider and contribute to its surrounds and context.

Justice & Community Safety

The ACT Government introduced the *Courts Legislation Amendment Bill 2023* in June 2023 to improve the efficiency of ACT court operations, structures and processes to assist in facilitating quicker access to justice. Two of the amendments pursued in the Bill include:

- Removing the position of Associate Judge from the ACT Supreme Court and replacing it with an additional Resident Judge. This change is intended to promote court efficiencies, provide for greater flexibility in the allocation of court resources.
- Extending the maximum term of appointment of an Acting Judge of the Supreme Court from 12-months to two years. Acting Judges step in on an as-needs basis to cover cases when Resident Judges are unavailable. This amendment will increase efficiencies within the ACT Courts operations, safeguard the independence of the judiciary and ensures the continuity of access to court resources.

Transport Canberra and City Services

In 2022–23 Transport Canberra and City Services progressed the following reforms:

- *Road Safety Legislation Amendment Bill 2022* – enhanced the road transport penalty framework to target dangerous driving behaviour, and a regulation making power to require health practitioners to report information relating to a person's fitness to drive.
- Progressing changes to vehicle registration fees and charges determinations to support the first stage of transition from weight-based registration to emissions based registration.
- *Urban Forest Bill 2022* – repeals and replaces the *Tree Protection Act 2005* and provides a framework to protect and enhance the urban canopy and complement tree planting efforts in the ACT, through:
  - new requirements to ensure when trees are approved for removal, they are replaced through new planting. Where new planting is not possible, a financial contribution will be required which will go towards growing, supporting, and maintaining the urban forest.
  - reducing the size requirements for protected trees on leased land, protecting dead native trees to retain significant habitat elements and protecting trees of any size located on public land.
  - introducing a tree bond system to ensure trees are not damaged during construction work as our city continues to grow.
  - expanding the ACT Tree Register which celebrates and protects our most significant trees.
  - improving the compliance provisions including introduction of penalties for people caught damaging a tree or breaching a tree protection plan or direction.
- A third tranche of banned plastic items was introduced under the *Plastic Reduction Act 2021* on 1 July 2023. This tranche of items banned single-use plastic plates and bowls; expanded polystyrene loose-fill packaging; expanded polystyrene produce trays, for packaging perishable food; and plastic microbeads in rinse-off personal care, cosmetic and cleaning products.
- Work to create circular economy legislation commenced, to amongst other things, phase out single use plastics and require businesses to have a separate collection for co-mingled recycling and organic waste collection and a food waste reduction plan.

B11 Report from the Australian Local Government Association (ALGA)

Development in the use of long term financial and asset management plans by local government

In 2022–23, local government non-financial assets including roads, community infrastructure such as buildings, facilities, airports, water, and sewerage (in some states) including land, was valued at $588.6 billion [ABS Government Finance Statistics, Australia, 2022–23].

Many of these assets have been accumulated over decades, sometimes with state/territory or federal capital assistance without regard to life-cycle costs.

Local government taxation revenue in 2022–23 was in the order of $21.8 billion [ABS Government Finance Statistics, Australia, 2022–23]. However, it is interesting to note that depreciation expenses were in the order of $10.1 billion.

Given the significant level of assets under management, councils face considerable difficulties in maintaining and renewing these assets at the same time as providing the other services that are expected by local and regional communities and other levels of government.

To monitor and improve the performance and management of the infrastructure portfolio owned and operated by Australia's 537 councils, ALGA established its National State of the Assets project in 2012. The National State of the Assets Report was updated in 2024.

Successive National State of the Assets reports have highlighted the importance of continuous improvement in our systems to support our communities for the future – including helping councils invest in asset management training, technology and software enhancements, skills development, and information sharing.

The Report showed that, as of 30 June 2023, 65 per cent of all local government assets are in good condition while the remainder are not. The combined estimated replacement cost of local government infrastructure reported in poor condition (8 per cent of total assets) is $55 billion.

While not all poor and fair infrastructure needs immediate replacement, it is important that each item of infrastructure be continually assessed to fully understand the risks and implications of fair and poor condition infrastructure. Of particular concern are potential safety risks, limitations on service levels to meet population growth and the productivity of businesses and Australian industry.

The 2024 National State of the Assets Reports shows local roads make up around 77 per cent of the national road network (by length) and service every Australian and business daily.

ALGA continues to work with the Infrastructure and Transport Ministers Meetings, federal transport organisations and all jurisdictions on road reform including Heavy Vehicle National Law, National Heavy Vehicle Access Framework, Road Safety, and Asset Management.

The local road network is a critical component of the nation's road and transport system. Some of the challenges confronting the local road network under local government management, include:

- first and last mile capacity for efficient delivery of freight;
- road safety, especially for rural roads;
- the relatively rapid growth of total government road-related expenditure costs;
- the reliance on intergovernmental transfers for road funding which themselves rely on road taxes and charges;
- the competing funding pressures from other government services; and
- the need for road investment to reflect whole-of-life costs and road-user needs more clearly, particularly to accommodate the larger and heavier, high productivity heavy vehicles.

Noting that fuel excise is declining in real terms as motor vehicles become more fuel efficient and electric vehicle sales accelerate, local government is concerned that state and federal governments are being forced to look to other areas of their (contested) budgets to fund and manage roads and road-related infrastructure.

On a positive note, fiscal constraints on meeting the required level of capital investment for roads has led to an increased focus on improving the transparency of road expenditure, investment, and service delivery. ALGA would like to see this work expanded to better inform investment decisions for a decarbonised transport future.

Actions to develop and implement comparative performance measures between local governing bodies

At the national level there are no overarching systems in place to collect, analyse and compare performance measures across the 537 local councils in Australia. State and territory governments have established performance measures but often use different approaches and metrics. For example, similar to other jurisdictions, South Australia has a comparison website (www.councilsinfocus.sa.gov.au).

ALGA supports the availability of accurate, timely and consistent data to enable evidence-based research, planning and outcomes for local government policy and funding and, where possible, advocates for this approach in line with recommendations from Parliamentary research reports over many years.

The Productivity Commission argued in its five-year productivity review [Shifting the Dial, 2017] that local governments should provide meaningful and accessible performance indicators.

ALGA is concerned at the prospect of local government being left behind in a data-driven decision-making environment, and that many councils will need assistance to lift their capability to be able to input, access and use data, as well as protect the data for which they are responsible.

Reforms undertaken during 2022–23 to improve the efficiency and effectiveness of local government service delivery

ALGA and its state and territory associations strongly support collaboration and engagement between local governments – and between all levels of government – to enable better service delivery outcomes for all communities.

This is particularly important in regional areas where thin markets can conspire against efficient and equitable service provision.

To address this, many like-minded regional and remote-area councils have created voluntary groupings, or Regional Organisations of Councils (ROCs), to enable capacity building and resource-sharing. These groupings vary in number, governance, and priorities jurisdiction to jurisdiction.

Over the past two decades, some state and territory governments have pursued policies of council amalgamation as a strategy to pursue more efficient and effective service-delivery, to generate cost savings, and capture economies of scale. ALGA opposes forced council amalgamations and notes that many of the projected savings predicted by amalgamations have failed to materialise.

Councils around Australia continue to embrace new technologies to improve their service delivery standards and broaden consultation and engagement with their local communities.

More Councils are providing free Wi-Fi and communicating or consulting with stakeholders through online forums and social media. Local government websites are becoming more sophisticated and mobile apps are being developed to enhance service provision to their communities.

The COVID pandemic experiences continue to encourage the adoption of digital technologies in local government. Many councils pivoted their in-person services to online channels so staff could continue to serve residents and ratepayers safely and these services remain today.

Local governments began live-steaming meetings and forums of elected representatives to allow otherwise locked-down residents to attend virtually. State and territory governments have legislated to make this a permanent feature of council governance; a development which will strengthen the democratic accountability of local government.

Rolling out new digital technologies and platforms is expensive, however and councils are at different stages of maturity. The capital-intensive nature of digital transformation, and new requirements of councils as owner/managers of critical infrastructure and data to invest appropriately in cyber security systems, highlights the need for federal and state governments to support local governments in this transformation.

For local government there are some significant gains from coordinated approaches to Information Communication Technology (ICT), many of which state/territory associations are already leveraging. These include shared ICT and shared services, coordinated/joint procurement and the sharing of knowledge and approaches that deliver the best results.

Data captured representing communities' concerns and ideas, desired amenities and suggestions for development paired with more effective, automated analysis could facilitate an unprecedented level of open engagement between citizens and government which contribute to increasing the productivity of local government and supporting Australia's productivity.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

Local government delivers an array of essential services to urban, regional, and remote Aboriginal and Torres Strait Islander communities. With 17 specifically First Nations councils in Queensland, and more than half of the Northern Territory's 17 councils having majority Indigenous elected members, four of these councils have entirely Indigenous elected members. Of note:

- Almost 60 per cent of all local government elected members in the NT are Indigenous;
- Just under 90 per cent of NT Regional Council elected members are Indigenous; and
- Of the 154 elected members in the NT, 92 identify as Indigenous.

Many councils are also the largest employer of Indigenous people in their communities by a wide margin. The Northern Territory (NT) local government sector collectively employs more than 3,000 people and is frequently the largest employer of Indigenous people in remote and regional areas and in many instances provides employment opportunities for First Nations peoples where few others exist.

However, this work is limited to the extent that councils are empowered and resourced by state and territory governments. Local governments – urban, peri-urban, regional, remote and specifically First Nations Councils work to Close the Gap (CTG) every day through their work, and developing Reconciliation Action Plans and programs.

Although Local Governments are not typically funded for specific CTG programs many councils provide opportunities for their communities such as:

- facilitating the establishment of a local Aboriginal custodian groups, who provide a voice in the decision-making processes regarding Council business and for other sectors in their regions;
- skills development and employment program in remote and very remote areas;
- increasing the liability of regional communities;
- providing childcare and aged care services;
- community justice programs;
- night patrols and community safety programs;
- providing health services and outreach – especially child and maternal health services;
- programs to redirect children back to mainstream schooling by linking culture and country into everyday education;
- land management programs linked to cultural practices
- advocating for better telecommunications and digital connectivity; and
- engaging in cultural events and education programs.

While local governments have general responsibilities for the provision of local services and infrastructure to all Australians, generally the federal, state and territory governments have the primary responsibility for the provision (and funding) of government services and infrastructure to Indigenous people and communities, particularly remote Indigenous communities.

ALGA as a signatory to the Closing the Gap agreement continues to pursue the objectives of this agreement through our CTG implementation plan.

Our objectives are to:

a. ensure local governments understand the agreement and its commitments and encourage its adoption by local governments;

b. assist the state and territory governments to work with local governments in the implementation of this agreement; and

c. support strengthened shared decision-making at the local level, supporting local governments to be part of partnerships with the federal, states, and territory governments and local Aboriginal and Torres Strait Islander Communities.

Appendix C
Comparison of distribution models

Local Government Grants Commissions (commissions) in each state and the Northern Territory use distribution models to determine the grant they will recommend be allocated to councils in their jurisdiction. They use one model for allocating the general purpose funding among councils and a separate model for allocating the local road funding. This appendix provides a comparison of the approaches the grant commissions used for determining 2022–23 allocations.

C1 General purpose component

In allocating the general purpose funding between councils within a jurisdiction, commissions are required under the *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act) to comply with agreed National Principles (refer to Appendix A).

In practice, commissions determine an allocation that ensures all councils receive at least the minimum grant with the remaining allocated, as far as practicable, on a horizontal equalisation basis.

Usually, this results in commissions adopting a 3-step procedure to determine the general purpose allocations.

Step 1 Commissions determine an allocation of the general purpose funding between councils on a horizontal equalisation basis.

Step 2 All councils receive at least the minimum grant. In most jurisdictions, in order for all councils to receive at least the minimum grant, allocations to some councils have to be increased relative to their horizontal equalisation grant.

Step 3 If allocations to some councils are increased in Step 2, then allocations to other councils must decrease relative to their horizontal equalisation grant. This is achieved by a process called ‘factoring back’.

In Step 3, because allocations to some councils are decreased, the resultant grant may be less than the minimum grant. As a result, Steps 2 and 3 of this procedure may need to be repeated until all councils receive at least the minimum grant and the general purpose funding for the jurisdiction has been completely allocated. More details on the approaches grant commissions use for Steps 1 and 3 are provided in the following pages.

Allocating on a horizontal equalisation basis

An allocation on a horizontal equalisation basis is defined in section 6 of the Act. More specifically, according to sub-section 6(3), horizontal equalisation:

a. ensures that each local governing body in a State [or Northern Territory] is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the State [or Northern Territory]

b. takes account of differences in the expenditure required to be incurred by local governing bodies in the performance of their functions and in their capacity to raise revenue.

The 'average standard' is a financial standard. It is based on the expenditure undertaken and revenue actually obtained by all councils in the jurisdiction.

Horizontal equalisation, as defined in the Act, is about identifying advantaged and disadvantaged councils and bringing all the disadvantaged councils up to the financial position of a council operating at the average standard. This means the task of the commissions is to calculate, for each disadvantaged council, the level of general purpose grant it requires to balance its assessed costs and assessed revenues.

When determining grant allocations on a horizontal equalisation basis, Local Government Grants Commissions use one of 2 distribution models:

- balanced budget – based on the approach of assessing the overall level of disadvantage for a council using a notional budget for the council
- direct assessment – based on the approach of assessing the level of disadvantage for a council in each area of expenditure and revenue.

Table 39 shows the type of distribution model used by each commission.

Table 39 Distribution models used for general purpose grant allocations for 2022–23

State	*Model used*
NSW	Direct assessment model
Vic	Balanced budget model
Qld	Balanced budget model
WA	Balanced budget model
SA	Direct assessment model (for local governing bodies outside the incorporated areas [the Outback Communities Authority and 5 Aboriginal Communities] allocations are made on a per capita basis)
Tas	Balanced budget model
NT	Balanced budget model

Source notes: Information provided by Local Government Grants Commissions.

The balanced budget model

Victoria, Queensland, Western Australia, Tasmania and the Northern Territory use the balanced budget approach. Their models are based on making an assessment of each council's costs of providing services and its capacity to raise revenue, including its capacity to obtain other grant assistance.

The balanced budget model can be summarised as:

General purpose allocation to a council equals

- assessed costs of providing services
- plus assessed average operating surplus/deficit
- less assessed revenue
- less actual receipt of other grant assistance.

The direct assessment model

New South Wales and South Australia use the direct assessment approach. Their models are based on assessing the level of advantage or disadvantage in each area of expenditure and revenue and summing these assessments over all areas of expenditure and revenue for all councils.

In each area of expenditure or revenue, an individual council's assessment is compared to the average council. The direct assessment model calculates an individual council's level of disadvantage or advantage for each area of expenditure and revenue, including for other grant assistance.

The direct assessment model can be summarised as:

General purpose allocation to a council equals

- an equal per capita share of the general purpose pool
- plus expenditure needs
- plus revenue needs
- plus other grant assistance needs.

The balanced budget and direct assessment models will produce identical assessments of financial capacity for each council, if the assessed average operating surplus or deficit is included in the balanced budget model.

Scope of equalisation

The scope of equalisation is about the sources of revenue raised and the types of expenditure activities that a commission includes when determining an allocation of the general purpose grant on a horizontal equalisation basis. Table 40 shows the differences in the scope of equalisation of the commissions.

Table 40 Scope of equalisation in commissions' models for general purpose grants

Expenditure function	**NSW**	***Vic***	***Qld***	**WA**	**SA**	***Tas***	**NT**
Administration	Yes	Yes	No	Yes	No	Yes	Yes
Law, order and public safety	Yes	Yes	No	Yes	Yes	Yes	Yes
Education, health and welfare	Yes	Yes	No	Yes	Yes	Yes	Yes
Community amenities	Yes	Yes	No	Yes	Yes	Yes	Yes
Recreation and culture	Yes	Yes	No	Yes	Yes	Yes	Yes
Transport – local roads	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Transport – airports	Yes	Yes	No	Yes	Yes	Yes	No
Transport – public transport	No	No	No	No	No	N/A	No
Transport – other transport	Yes	Yes	No	Yes	Yes	Yes	Yes
Building control	Yes	Yes	No	No	Yes	Yes	No
Garbage	No	Yes	No	Yes	Yes	Yes	Yes
Water	No	No	Yes	No	No	N/A	No
Sewerage	No	No	Yes	No	No	N/A	No
Electricity	No	No	No	No	No	N/A	No
Capital	No	No	No	No	No	No	No
Depreciation	Yes	Yes	Yes	Yes	Yes	Yes	No
Debt servicing	No	Yes	No	Yes	No	Yes	No
Entrepreneurial activity	No	No	No	No	No	Yes	No
Agency arrangements	No	No	No	No	No	No	No
Revenue function	**NSW**	***Vic***	***Qld***	**WA**	**SA**	***Tas***	**NT**
Rate revenue	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Operation subsidies	No	No	Yes	Yes	Yes	Yes	Yes
Garbage charges	No	Yes	No	Yes	Yes	Yes	Yes
Water charges	No	No	Yes	No	No	N/A	No
Sewerage charges	No	No	Yes	No	No	N/A	No
Airport charges	No	No	No	No	No	Yes	No
Parking fees and fines	No	Yes	Yes	Yes	No	No	Yes
Other user charges	No	Yes	Yes	Yes	No	Yes	Yes

Notes: Functions for which a 'Yes' is provided above are not necessarily separately assessed by the relevant Local Government Grants Commission, but may be included as part of another assessed function. For example, depreciation might be included as a cost under the category for which the relevant asset is provided. Similarly, revenue functions might be included as reductions in the associated expenditure function.

N/A = not applicable.

Source: Information provided by Local Government Grants Commissions in each state and the Northern Territory.

Revenue assessments

Sources of revenue for local government include rates, user charges and government grants. The treatment of revenue assessments is discussed in this section.

New South Wales undertakes an assessment of a council's relative capacity to raise revenue and uses revenue allowances to attempt to compensate councils for their relative lack of revenue-raising capacity. Property values are used as the basis for assessing revenue-raising capacity, as rates, based on property values, are the principal source of council income. Property values also indicate the relative economic strength of local areas. In the revenue allowance calculation, councils with low values per property are assessed as being disadvantaged and are brought up to the average (positive allowances), while councils with high values per property are assessed as being advantaged and are brought down to the average (negative allowances). Separate calculations are made for urban and non-urban properties.

Revenue allowances are substantially more significant than the expenditure allowances. This issue was discussed with the Australian Government and the agreed principles provide that 'revenue allowances may be discounted to achieve equilibrium with the expenditure allowances'. As a result, both allowances are given equal weight.

The discounting helps reduce the distortion caused to the revenue calculations as a result of the property values in the Sydney metropolitan area.

For each council, **Victoria** calculates a raw grant, which is determined by subtracting the council's standardised revenue from its standardised expenditure. A council's standardised revenue is intended to reflect its capacity to raise revenue from its community and, in the case of standardised rates revenue, is calculated for each council by multiplying its valuation base (on a capital improved value basis) by the average rate across all Victorian councils over 3 years. The payments in lieu of rates received by some councils for major facilities, such as power generating plants and airports, have been added to their standardised revenue to ensure that all councils are treated on an equitable basis. Rate-revenue-raising capacity is calculated separately for each of the 3 major property classes (residential, commercial/industrial/other and farm) using a 4-year average of valuation data.

The Victorian Grants Commission constrains increases in each council's assessed revenue capacity to improve stability in grant outcomes. The constraint for each council has been set at the state-wide average increase in standardised revenue adjusted by the council's own rate of population growth to reflect growth in the property base.

A council's relative capacity to raise revenue from user fees and charges, or standardised fees and charges revenue, also forms part of the calculation of standardised revenue. The assessed capacity to generate user fees and charges for each council is added to its standardised rate revenue to produce total standardised revenue.

Queensland's revised methodology uses the fiscal capacity model which calculates the potential revenue a council could raise if it experienced the same set of underlying conditions as the average Local Government Area (LGA). The potential revenue is compared against the capacity of an LGA to raise revenue. The difference between the potential and capacity is the fiscal gap which determines how much of the grant pool should be allocated to each LGA. The potential revenue model uses the revenue categories of: rates; water and wastewater; user fees and charges; and other grants.

In **Western Australia**, calculation of assessed revenue capacity is based on a standardised mathematical formula updated annually and involves assessing the revenue-raising capacity of each local government in the categories of: residential, commercial and industrial rates; agricultural rates; pastoral rates; mining rates; and investment earnings.

South Australia estimates the revenue-raising capacity of each council for 5 land use categories: residential, commercial, industrial, rural, and other. Its Commission estimates each council's component revenue grant by applying the state average rate in the dollar to the difference between the council's improved capital values per capita multiplied by a revenue relativity index for the council, and those for the state as a whole, and multiplying this back by the council's population. To overcome fluctuations in the base data, valuations, rate revenue and population are averaged over 3 years.

In **Tasmania**, revenue capacity is calculated as the 3-year average of:

- the revenue a council would raise by applying the state-wide average rate to the adjusted assessed annual value of all its properties subject to rates and charges (standardised revenue) plus
- the council's per capita grant allocation plus
- Other Financial Support receipts that meet the criteria for inclusion.

Each council's relative needs grant is determined by the difference between the Commission's assessment of each council's expenditure requirement necessary to provide services to a common standard with all other councils, and each council's capacity to raise revenue to fund the delivery of those services, as calculated by the Commission. The difference between the Commission's assessment of each council's revenue capacity and expenditure requirement indicates each council's relative need for additional support, and thus a share of the relative needs pool.

In the **Northern Territory,** the methodology calculates standards by applying cost adjustors and average weightings to assess the revenue-raising capacity and expenditure need of each council. The assessment is the Northern Territory Grants Commission's measure of the ability of each council to function at the average standard in accordance with the National Principles. For most local governments, the assessed expenditure needs exceed the assessed revenue capacity, meaning there is an assessed need.

As the ownership of the land on which many communities are located across the Northern Territory is vested in land trusts established pursuant to the *Aboriginal Lands Rights (Northern Territory) Act 1976 (Cth)*, it is not feasible to use a land valuation system solely as the means for assessing revenue-raising capacity. The collection of actual accurate financial data through the Commission's annual returns enabled a number of revenue categories to be introduced, including municipal and regional and shire council rates, domestic waste and interest.

In addition, to accord with the national principles, other grant support to local governing bodies by way of the Roads to Recovery, library and local roads grants are recognised in the revenue component of the methodology. In the case of recipients of the Roads to Recovery grants, 50% of the grant was included. Recipients of library grants and local roads grants have the total amount of the grant included.

Other grant support – National Principle

The fourth National Principle for the general purpose grant (National Principle A4) involves the revenue assessment and states:

> *Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach.*

This National Principle requires commissions, when determining the allocations on a horizontal equalisation basis, to include all grants that are provided to councils from governments as part of the revenue that is available to councils to finance their expenditure needs. Only those grants that are available to councils to finance the expenditure of a function that is assessed by commissions should be included. Both the grant received and the expenditure it funds should be included in the allocation process.

Table 41 provides details on the grants included by commissions in allocating the general purpose component in 2022–23.

Table 41 Grants treated by inclusion for 2022–23 by jurisdiction

State	***Grants treated by inclusion in general purpose allocations***
NSW	Expenditure allowances for services are discounted, where appropriate, to recognise the contribution of specific purpose grants.
Vic	Net standardised expenditure has been obtained for each function by subtracting standardised grant support (calculated on an average per unit basis) from gross standardised expenditure. This ensures that other grant support is treated on an 'inclusion' basis. Net standardised expenditure for the Local Roads and Bridges expenditure function for each council is calculated by subtracting other grant support (based on the actual identified local roads grant and a proportion of Roads to Recovery grants) from gross standardised expenditure.
Qld	Other grant revenue is considered on an 'inclusion basis' and includes a five-year average of total operating grant revenue.
WA	Other grants are included with other revenues and are netted from expenditure. This reduces the expenditure total of each function by the total amount of available grants. Consistent with natural weighting, Western Australia's assessments are scaled to the actual amount of total revenue and total expenditure.
SA	Subsidies that are of the type that most councils receive and are not dependent upon their own special effort – they are effort neutral – are treated by the 'inclusion approach'. That is, subsidies such as those for library services and roads are included as a revenue function.
Tas	All revenues are included except where a case is made for its exclusion. Other Financial Support include revenues and grants that are received from sources where the council has no influence over what revenue or grant is derived.
NT	Other grant support to local governing bodies includes 50 per cent of the Roads to Recovery grant and 100 per cent of both the library and local roads grant.

Source notes: Based on information provided by Local Government Grants Commissions.

Expenditure assessments

In addition to expenditure on local roads, the main expenditures of councils are on general public services, including the organisation and financial administration of councils; recreation facilities; and sanitation and protection of the environment, including disposal of sewerage, stormwater drainage and garbage. Assessing local road expenditure needs for the general purpose grant is discussed in the next section.

New South Wales has calculated expenditure allowances for each council for 6 council services. An additional allowance is calculated for councils outside the Sydney statistical division that recognises their isolation. A pensioner rebate allowance is calculated which recognises that a council's share of pensioner rebates is a compulsory additional cost. Councils with high proportions of ratepayers that qualify for eligible pensioner rebates are considered to be more disadvantaged than those with a lower proportion.

Generally, for each expenditure function, an allowance will be determined using recurrent cost.

Disability factors are also considered among the expenditure categories. A disability factor is the estimate of the additional cost of providing a standard service, due to inherent characteristics beyond the control of a council.

In 2018–19, the Commission adopted a revised model with a transition period. In steering the path out of the transition, the Commission has given consideration to many external factors and, to this point, has retained the 0 per cent floor or lower limit on decreases in allocations to councils. The Commission continues to consult with the sector about resuming the lower limit to minus 5 per cent.

In **Victoria**, the standardised expenditure is calculated for each council on the basis of 9 expenditure functions. Between them, these expenditure functions include all council recurrent expenditure. The Victorian model ensures that the gross standardised expenditure for each function equals aggregate actual expenditure by councils, thus ensuring that the relative importance of each of the 9 expenditure functions in the model matches the pattern of actual council expenditure.

For each function, with the exception of Local Roads and Bridges, *gross standardised expenditure* is obtained by multiplying the relevant major cost driver by:

- the average Victorian council expenditure on that function, per unit of need; and
- a composite cost adjustor which takes account of factors that make service provision cost more or less for individual councils than the state average.

Net standardised expenditure has been obtained for each function by subtracting standardised grant support (calculated on an average per unit basis) from gross standardised expenditure.

The total standardised expenditure for each council is the sum of the standardised expenditure calculated for each of the 9 expenditure functions.

Queensland applies a series of multipliers to the revenue potential calculation to adjust the fiscal gap, including a population segment uplift multiplier and a set of cost factors. The segment level uplift captures a broad array of factors that can be difficult to quantify and assists in addressing the divergence between operating revenue and expenditure depending on population. The cost factors are unique to each council and attempt to reflect how different circumstances impact expenses in the operating environments of councils.

In **Western Australia**, assessed expenditure need is based on a standardised mathematical formula updated annually, involving the assessment of each local government's operating expenditures in the provision of core services and facilities under the following 'standard' categories: governance; law, order and public safety; education, health and welfare; community amenities; recreation and culture; and transport. The standardised assessments for each local government are attuned by cost adjustors which recognise the additional costs that individual local governments experience in the provision of services due to a range of causes.

In **South Australia**, component expenditure grants compensate or penalise councils according to whether the costs of providing a standard range of local government services can be expected to be greater than or less than the average cost for the state as a whole due to factors outside the control of councils. The Commission assesses expenditure needs and a component expenditure grant for each of a range of functions and these are aggregated to give a total component expenditure grant for each council. The methodology uses 20 expenditure categories including the local road categories.

Component grants for all revenue categories and expenditure functions are calculated for each council and aggregated to give each council's total raw calculation figure.

Tasmania calculates its standard expenditure for each council by adopting a two pool approach. Firstly, 30 per cent of the General Purpose Grant is allocated to councils according to their share of the State's total population (this is referred to as the per capita grant). The remaining 70 per cent is allocated on a relative needs or equalisation basis.

Annual revenue raising capacity and expenditure requirements for providing core services to a common standard are estimated based on state-wide averages. Councils are assessed as having hypothecated annual surpluses or deficits.

Councils with a surplus are regarded as having sufficient capacity and assessed as minimum grant councils. The remaining councils with deficits, do not have sufficient capability to function, by reasonable effort, at a standard not lower than the average standard of other Tasmanian councils and therefore require additional support. The deficits of these councils are aggregated and the relative needs pool is allocated among these councils equal to the share of the aggregated deficit attributable to that council.

Tasmania's cost adjustors include: absentee population; climate; dispersion; isolation; population decline; service industry employment; scale (admin); scale (other); tourism; worker influx; and Socio-Economic Indexes For Areas – Index of Relative Socio-economic Disadvantage.

In the **Northern Territory**, the assessment of standard expenditure is based on the Territory's average per capita expenditure within the expenditure functions to which cost adjustors reflecting the assessed disadvantage of each local government are applied. The Northern Territory Grants Commission currently uses 9 expenditure functions in accordance with the Australian Bureau of Statistics' Local Government Purpose Classifications. The assessment model ensures that the gross standard expenditure for each function equals the total actual identified expenditure of councils.

Assessing local road expenditure needs under the general purpose grant

As part of the expenditure needs assessment to determine the general purpose allocation, commissions also assess each council's local road needs. The main features of the models that the commissions use to assess local road needs and determine the general purpose allocations in 2022–23 are discussed here.

The **New South Wales** method of allocating the local road component is based on a formula developed by the New South Wales roads authority. The formula uses councils' proportions of the state's population, local road length and bridge length.

In **Victoria**, the methodology for allocating the local road grant is designed to reflect the relative needs of Victorian councils in relation to local roads funding in accordance with the national principle relating to the allocation of local roads funding. It is based on each council's road length (for all surface types) and traffic volumes, using average annual preservation costs for given traffic volume ranges. The methodology also includes a series of cost modifiers for freight loading, climate, materials, sub-grade conditions and strategic routes and takes account of the deck area of bridges on local roads.

Under the new methodology in **Queensland** two data inputs are used. A councils self-reported roads length (5-year average); and a Department of Transport and Main Roads (DTMR) supplied cost relativity index. Funding under the local roads pool is split into 2 pools for minimum grant and non-minimum grant councils, based on the inverse proportion of population in both groups. The length of roads is then multiplied by the cost relativity index, and this amount determines the share of the relevant funding pool.

Western Australia calculates the local road component using the asset preservation model, which has been in place since 1992. The model assesses the average annual costs of maintaining each local government's road network and has the capacity to equalise road standards through the application of minimum standards. These standards help local governments that have not been able to develop their road systems to the same standard as more affluent local governments.

In **South Australia,** the identified local road grants pool is divided into formula grants (85%) and special local road grants (15%). The formula component is divided between metropolitan and non-metropolitan councils. Metropolitan council allocations are determined by an equal weighting of road length and population, while non-metropolitan council allocations are determined on an equal weighting of road length, population and the area of each council. Distribution of the special local road grants are based on recommendations from the Local Government Transport Advisory Panel.

In **Tasmania**, the Commission estimates the annualised cost for preserving council road, bridge, and culvert assets in the state. 3 road types are used in the assessment being urban sealed, rural sealed and unsealed roads. Council bridge and culvert asset preservation requirements are also accounted for. Cost adjustors and allowances are then applied to account for advantages or disadvantages faced by councils in maintaining their roads.

Assessed annualised cost for each council to preserve its road network are aggregated and grant recommendations are calculated so that each council's share of the road funding pool is equal to its share of the aggregated road costs.

To determine the local road grant, the **Northern Territory** applies a weighting to each council by road length and surface type. These weightings are: 27.0 for sealed, 12.0 for gravel, 10.0 for cycle paths, 7.0 for formed roads and 1.0 for unformed roads. The general purpose location factor is also applied to recognise relative isolation.

Needs of Indigenous communities

The fifth National Principle for distribution of the general purpose grant (National Principle A5) states:

> *Financial assistance shall be allocated to councils in a way which recognises the needs of Aboriginal peoples and Torres Strait Islanders within their boundaries.*

While the special needs of Indigenous Australians are recognised when assessing the expenditure of councils on services in all jurisdictions, it remains the decision of each council as to how the grant will be spent and what services will be provided for its Indigenous residents. A summary of this recognition is provided here.

In **New South Wales**, services to Aboriginal communities are considered as part of the expenditure allowances through the use of a cost adjustor for Indigeneity. The methodology also considers the needs of Aboriginal communities with regard to their access and internal local roads needs in the distribution of the local road component.

Victoria includes a cost adjustor that reflects the Indigenous population when calculating the general purpose component of allocations to councils.

Queensland applies cost adjustors in the general purpose calculation for: Remoteness, Indigenous population, SEIFA (Advantage and Disadvantage) and Dispersion. The Indigenous population cost adjustor recognises the needs of Aboriginal and Torres Strait Islander people in the local government area, utilising Census data for Aboriginal and Torres Strait Islander population by local government area, provided by the Australian Bureau of Statistics.

Western Australia applies an Indigenous factor as a cost adjustor for most of its expenditure standards in its calculation of general purpose grants and considers Indigenous population data from the Australian Bureau of Statistics when calculating the cost adjustors applied to the expenditure standard.

In **South Australia**, an expenditure function, named Other Needs Assessments, comprises commission determined relative expenditure needs of councils with respect to, among other things, Aboriginal people. For local governing bodies outside the incorporated areas (the Outback Communities Authority and 5 Aboriginal communities) allocations are made on a per capita basis due to the lack of comparable data.

In **Tasmania,** no additional adjustments are needed to account for the different needs of Aboriginal peoples and Torres Strait Islanders across municipalities in Tasmania. This is based on both the Index of Relative Indigenous Socioeconomic Outcomes and advice provided by those councils with the highest proportion of their populations recognising as having indigenous origin.

The **Northern Territory** applies a cost adjustor, based on the proportion of the population that is Indigenous, to its expenditure assessments for certain expenditure categories. The majority of shire service delivery in the Northern Territory is to remote communities whose population is almost entirely Indigenous Australian.

Council amalgamation – National Principle

A sixth National Principle for the general purpose grant applies to councils that amalgamate. The amalgamation principle (National Principle A6) took effect on 1 July 2006 and states:

> *Where two or more local governing bodies are amalgamated into a single body, the general purpose grant provided to the new body for each of the four years following amalgamation should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities.*

In addition to complying with the other National Principles for the general purpose grant, grants commissions are required to treat the general purpose grant allocated to councils, formed as the result of amalgamation, in a way that is consistent with this National Principle.

No amalgamations occurred during 2022–23.

Factoring back and satisfying the minimum grant principle

Once the revenue capacity and expenditure needs have been determined for each council, the raw grant can be calculated by subtracting its revenue capacity from expenditure needs, the difference being each council's raw general purpose grant.

There are 2 situations that require commissions to apply a 'factoring back' process. The first situation is when the total raw grant does not equal the available grant for the jurisdiction. This can occur when the commission has not:

- assessed all revenue and expenditure categories for councils in the jurisdiction
- ensured that the total assessed revenue and expenditure across all councils in the jurisdiction equals the total actual revenue and expenditure for all councils
- used a budget result term for each council when applying the balanced budget approach.

The use of a consistent approach for allocating grants would address this issue.

The second situation occurs when the raw grant allocation for a council does not comply with the minimum grant National Principle. National Principle A3 requires:

> *The minimum general purpose grant allocation for a local governing body in a year will be not less than the amount to which the local governing body would be entitled if 30 per cent of the total amount of general purpose grant to which the State/Territory is entitled under section 9 of the Act in respect of the year were allocated among local governing bodies in the State/Territory on a per capita basis.*

Grants to councils with raw grant allocations below the minimum grant (including negative grant) are increased to comply with the minimum grant National Principle. This requires grants to other councils in the jurisdiction to be reduced through a factoring back process.

Should the grant to one or more councils following the initial factoring back process reduce their grant below the minimum grant, the factoring back process would be repeated. This process would have to be repeated until both the minimum grant and available grant constraints are simultaneously met.

Two approaches are used by commissions for factoring back the raw grant:

- proportional method – each raw grant for a council is reduced by the same proportion so that the total of the grant equals the available grant
- equalisation ratio method – each grant for a council is reduced such that all councils can afford to fund the same proportion of their expenditure needs with their total income (assessed revenue capacity plus other grant support and general purpose grant).

In Western Australia, the Commission changed its phasing policy for the 2018–19 grant determinations. It had become apparent that, due to the limited funding pool growth in recent years, the Commission was unable to provide the desired increases in grants to local governments that were receiving significantly less than their general purpose equalisation need. As a result, in recent years, the Commission has been transitioning local governments to a common scaleback to ensure equity between local government grants. This method continues to be used.

The amount of cash that finally ends up being paid in a financial year to a council for general purpose needs is its actual grant for that financial year for general purpose needs.

Most jurisdictions apply floors and ceilings (that is, limits) to the increases or decreases, in general purpose funding, which councils are granted in any one financial year over the previous financial year(s). This too can result in the need for some positive or negative feedback into the calculations of the final actual general purpose grants paid to councils within a particular jurisdiction in a particular financial year.

C2 Local road component

The National Principles require the local road grant to be allocated so that, as far as practicable, the grant is allocated to councils (National Principle B1):

> *... on the basis of the relative needs of each council for roads expenditure and to preserve its road assets. In assessing road needs, relevant considerations include length, type and usage of roads in each council area.*

For the local road needs assessment, the models are either relatively simple constructs or more complex asset preservation models.

New South Wales, South Australia, Queensland and the Northern Territory use relatively simple models to allocate the local road grant. New South Wales and South Australia firstly classify local roads as either metropolitan or non-metropolitan and then allocate funding based mainly on the factors of population and road length. Queensland's methodology changes have seen them move from an asset preservation model to a more simplified use of road length, cost relativity index and separation of councils into minimum grant and non-minimum grant pools. To determine the local road grant, the Northern Territory applies a weighting to each council by road length and surface type.

Victoria, Western Australia, and Tasmania use asset preservation models to allocate the local road grant. The asset preservation model attempts to measure the annual cost of maintaining a road network. It takes into account recurrent maintenance costs and the cost of reconstruction at the end of the road's useful life. It can also take other factors into account such as the:

- costs associated with different types of roads (sealed, gravel and formed roads)
- impact of weather, soil types and materials availability on-costs
- impact of traffic volume on the cost of maintaining these roads.

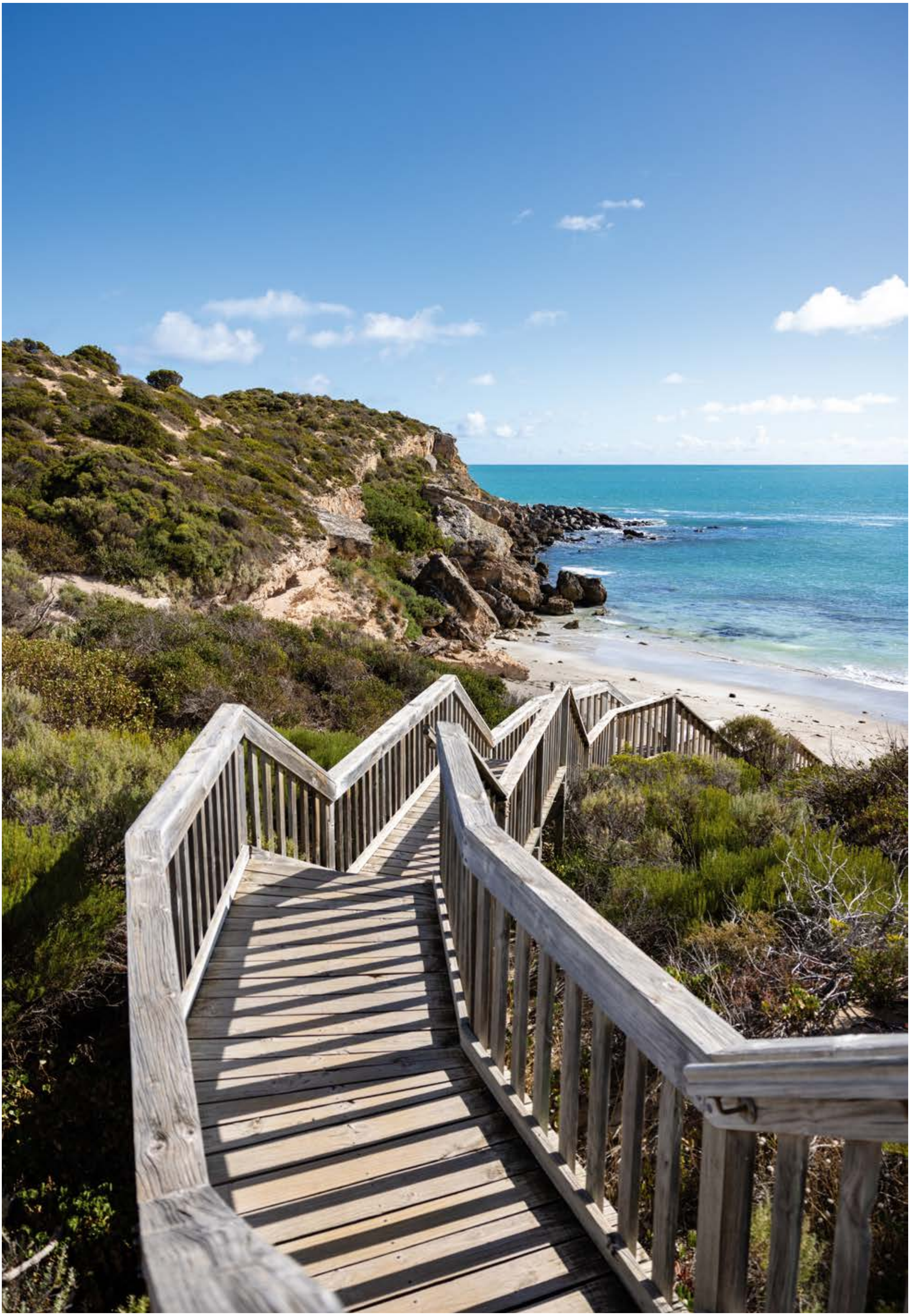
Prior to applying their grant allocation methodologies, Western Australia and South Australia quarantine 7 per cent and 15 per cent respectively for funding special road projects. Expert committees provide advice on the projects to be funded.

Table 42 summarises the main features of the models used by the commissions for allocating local road grants in 2022–23.

Table 42 Allocating local road grants in 2022–23

State	Features of the distribution model for allocating local road grants
NSW	Initially, 27.54 per cent is distributed to local roads in urban areas and 72.46 per cent to local roads in rural areas. In urban areas, 5 per cent is distributed to individual councils on the basis of bridge length and the remaining 95 per cent is distributed to councils on the basis of road length and population. In rural areas, 7 per cent is distributed to individual councils on the basis of bridge length and 93 per cent is distributed to councils on the basis of road length and population.
Vic	Victoria's formula for allocating local roads grants is based on each council's road length (for all surface types) and traffic volumes, using average annual preservation costs for given traffic volume ranges. The methodology also includes a series of cost modifiers for freight loading, climate, materials, sub-grade conditions and strategic routes, and takes account of the deck area of bridges on local roads. The commission calculates a total network cost for each council's local roads. The actual local roads grant is calculated by applying the available funds in proportion to each council's calculated network cost.
Qld	Queensland's revised local road model allocations are based on length of roads (5-year average) and a Department of Transport and Main Roads (DTMR) supplied cost relativity index. The local road pool is split in two being minimum grant and non-minimum grant councils. The length of roads is multiplied by the cost relativity index, and this amount determines the share of the relevant funding pool.
WA	Western Australia recommends the distribution of the local road component using its asset preservation model. Under the arrangements approved for Western Australia, 7 per cent of the Commonwealth funds provided for local roads are allocated for special projects (one-third for roads servicing remote Indigenous communities and two-thirds for bridges). The remaining 93 per cent is distributed in accordance with road preservation needs as determined by the Commission's Asset Preservation Model. The model assesses the average annual costs of maintaining each local government's road network and has the capacity to equalise road standards through the application of minimum standards. These standards help local governments that have not been able to develop their road systems to the same standard as more affluent local governments.
SA	In South Australia, the identified local road grant pool is divided into formula grants (85 per cent) and special local road grants (15 per cent). The formula component is divided between metropolitan and non-metropolitan councils on the basis of an equal weighting of road length and population. In the metropolitan area, allocations to individual councils are determined again by an equal weighting of road length and population. In the non-metropolitan area, allocations are made on an equal weighting of road length, population and the area of each council. Distribution of the special local road grants is based on recommendations from the Local Government Transport Advisory Panel. The Panel is responsible for assessing submissions from the metropolitan local government group and regional associations on local road projects of regional significance.
Tas	The Commission estimates the annualised cost for preserving council road, bridge, and culvert assets in Tasmania. 3 standard road characteristics are used to categorise roads, as well as average costs to construct and maintain these roads over their typical lifetime. This is used to calculate the state average cost per kilometre, per year, for councils to maintain their road networks. The 3 road types used in the assessment are Urban Sealed, Rural Sealed and Unsealed Roads. Cost adjustors and allowances are applied to account for relative cost advantages or disadvantages faced by councils in maintaining their roads. The road cost adjustors are rainfall, terrain, traffic and remoteness. An urbanisation allowance is also applied to eligible road lengths in recognised urban areas. An assessed, annualised cost for each council to preserve its road network is calculated and the road grant is distributed to councils based on their share of the total state-wide assessed annual asset preservation costs.
NT	To determine the local road grant, the Northern Territory applies a weighting to each council by road length and surface type. These weightings are: 27.0 for sealed, 12.0 for gravel, 10.0 for cycle paths, 7.0 for formed roads and 1.0 for unformed roads. The general purpose location factor is also applied to recognise relative isolation.

Source notes: Information provided by Local Government Grants Commissions.



Appendix D
Local governing body distribution in 2022–23

Appendix D shows the distribution of funding under the Financial Assistance Grant program and some basic information such as population, area in square kilometres and road length in kilometres for each local governing body in Australia.

The tables in this appendix show the actual total grant entitlement for 2022–23, which includes the bring forward from 2022–23 paid to councils in April 2022. The components of the Financial Assistance Grant program, including the general purpose grant and the local road grant, are also provided.

The councils are listed alphabetically by state and the Northern Territory. The Australian Classification of Local Governments (ACLG) category for each council is listed in the second column. An explanation of the ACLG is given in Appendix F.

To facilitate comparison, the general purpose grant per capita and the local road grant per kilometre are provided for 2022–23. These per capita and per kilometre amounts are for comparative reporting only. They are not the basis of the formula used by Local Government Grant Commissions to allocate the general purpose grant or local road grant to each council within a state or territory. Details of each jurisdiction's methodology can be found in Appendix B.

Councils receiving the minimum per capita grant in 2022–23 are indicated with a 'Yes' beside their entry in the 'General purpose grant per capita' column. The per capita grant of these councils differs slightly between jurisdictions because of different data sources for population used by the Australian Government and the Local Government Grants Commissions. For further information on the minimum grant entitlement, see Chapter 2.

Indigenous local governing bodies are identified by an asterisk (*) against the name of the council.

Local governing bodies that are recipients of 'Special Works' funding in South Australia and Western Australia are identified by a superscript abbreviation (SW). Special Works funding is included in the total local road funding.

The source of the data is the relevant state or territory Local Government Grants Commission.

Table 43 Distribution of 2022–23 actual entitlement to councils in New South Wales

Council name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Albury City Council	URM	55,754	306	549	5,631,515	1,739,527	7,371,042	101.01	No	3,168.54
Armidale Regional Council	URM	29,484	7,809	1,728	5,106,117	2,759,166	7,865,283	173.18	No	1,596.74
Ballina Shire Council	URM	45,773	485	666	3,701,927	1,734,086	5,436,013	80.88	No	2,603.73
Balranald Shire Council	RAM	2,276	21,691	1,326	3,693,712	1,578,459	5,272,171	1,622.90	No	1,190.39
Bathurst Regional Council	URM	44,540	3,818	1,164	4,992,874	2,439,964	7,432,838	112.10	No	2,096.19
Bayside Council	UDV	182,369	51	340	4,338,714	1,394,818	5,733,532	23.79	Yes	4,102.41
Bega Valley Shire Council	URM	35,046	6,279	1,238	6,078,790	2,420,255	8,499,045	173.45	No	1,954.97
Bellingen Shire Council	RAV	13,248	1,600	564	3,566,553	1,126,474	4,693,027	269.21	No	1,997.29
Berrigan Shire Council	RAL	8,810	2,066	1,281	4,145,958	1,672,916	5,818,874	470.60	No	1,305.95
Blacktown City Council	UDV	387,104	239	1,419	14,617,560	4,228,136	18,845,696	37.76	No	2,979.66
Bland Shire Council	RAL	5,923	8,558	2,982	5,750,354	3,597,604	9,347,958	970.85	No	1,206.44
Blayney Shire Council	RAL	7,408	1,525	684	2,296,571	1,022,075	3,318,646	310.01	No	1,494.26
Blue Mountains City Council	UFL	78,740	1,431	727	8,394,998	1,583,145	9,978,143	106.62	No	2,177.64
Bogan Shire Council	RAM	2,481	14,600	1,372	3,609,591	1,724,453	5,334,044	1,454.89	No	1,256.89
Bourke Shire Council	RAM	2,596	41,598	1,883	5,451,280	2,295,987	7,747,267	2,099.88	No	1,219.32
Brewarrina Shire Council	RAS	1,520	19,162	1,272	4,085,945	1,558,487	5,644,432	2,688.12	No	1,225.23
Burwood Council	UDM	40,686	7	86	1,025,586	322,823	1,348,409	25.21	No	3,753.76
Byron Shire Council	URM	36,217	566	567	2,468,033	1,449,352	3,917,385	68.15	No	2,556.18
Cabonne Shire Council	RAV	13,759	6,022	1,713	3,581,948	2,448,043	6,029,991	260.33	No	1,429.10
Campbelltown City Council	UFV	175,687	311	740	8,961,731	2,175,446	11,137,177	51.01	No	2,939.79
Canterbury-Bankstown Council	UDV	378,425	110	858	9,003,053	3,120,771	12,123,824	23.79	Yes	3,637.26
Carrathool Shire Council	RAM	2,789	18,935	2,275	4,765,563	2,779,210	7,544,773	1,708.70	No	1,221.63
Central Coast Council (NSW)	UFV	347,158	1,681	2,070	24,051,876	5,221,328	29,273,204	69.28	No	2,522.38
Central Darling Shire Council	RTM	1,834	53,492	1,603	5,383,067	1,902,358	7,285,425	2,935.15	No	1,186.75

Council name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Cessnock City Council	URM	63,020	1,965	956	6,246,467	2,118,260	8,364,727	99.12	No	2,215.75
City of Canada Bay Council	UDL	95,919	20	191	2,281,995	749,438	3,031,433	23.79	Yes	3,923.76
City of Lithgow Council	URS	21,556	4,512	890	4,258,855	1,510,455	5,769,310	197.57	No	1,697.14
City of Parramatta Council	UDV	258,799	84	614	7,980,620	2,328,857	10,309,477	30.84	No	3,792.93
Clarence Valley Council	URM	52,993	10,429	2,062	8,693,076	3,886,890	12,579,966	164.04	No	1,885.01
Cobar Shire Council	RTL	4,365	45,575	1,693	5,150,785	2,052,923	7,203,708	1,180.02	No	1,212.59
Coffs Harbour City Council	URL	78,093	1,174	815	5,966,318	2,659,601	8,625,919	76.40	No	3,263.31
Coolamon Shire Council	RAM	4,304	2,431	1,253	3,031,138	1,534,212	4,565,350	704.26	No	1,224.43
Coonamble Shire Council	RAM	3,854	9,916	1,393	3,461,949	1,758,700	5,220,649	898.27	No	1,262.53
Cootamundra-Gundagai Regional Council	RAV	11,169	3,981	1,265	4,465,878	1,859,894	6,325,772	399.85	No	1,470.27
Council of the City of Broken Hill	URS	17,230	170	211	5,551,997	570,828	6,122,825	322.23	No	2,705.35
Council of the City of Ryde	UDV	132,822	41	313	3,159,948	1,124,637	4,284,585	23.79	Yes	3,593.09
Council of the City of Shellharbour	URL	76,364	147	423	4,834,278	1,143,614	5,977,892	63.31	No	2,703.58
Council of the Municipality of Woollahra	UDM	58,480	12	140	1,391,289	501,611	1,892,900	23.79	Yes	3,582.94
Cowra Shire Council	RAV	12,785	2,809	1,199	3,969,967	1,729,807	5,699,774	310.52	No	1,442.71
Cumberland Council	UDV	239,834	73	565	6,972,737	2,034,584	9,007,321	29.07	No	3,601.03
Dubbo Regional Council	URM	54,195	7,535	2,514	9,131,616	4,045,900	13,177,516	168.50	No	1,609.35
Dungog Shire Council	RAL	9,784	2,250	604	2,156,106	1,100,278	3,256,384	220.37	No	1,821.65
Edward River Council	RAL	9,158	8,883	1,398	4,870,023	1,819,608	6,689,631	531.78	No	1,301.58
Eurobodalla Shire Council	URM	39,362	3,428	955	6,225,300	1,981,608	8,206,908	158.16	No	2,074.98
Fairfield City Council	UDV	207,922	102	614	8,082,319	1,987,152	10,069,471	38.87	No	3,236.40
Federation Council	RAV	12,735	5,685	2,027	5,487,651	2,661,904	8,149,555	430.91	No	1,313.22
Forbes Shire Council	RAL	9,934	4,710	1,745	4,316,993	2,316,377	6,633,370	434.57	No	1,327.44
Georges River Council	UDV	159,266	38	366	3,789,073	1,305,708	5,094,781	23.79	Yes	3,567.51

Council name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Gilgandra Council	RAM	4,205	4,832	1,236	3,271,643	1,598,765	4,870,408	778.04	No	1,293.50
Glen Innes Severn Council	RAL	8,816	5,480	1,083	3,522,898	1,625,489	5,148,387	399.60	No	1,500.91
Goulburn Mulwaree Council	URM	31,796	3,220	1,143	4,069,581	2,147,406	6,216,987	127.99	No	1,878.75
Greater Hume Shire Council	RAV	11,020	5,749	1,791	4,025,072	2,495,695	6,520,767	365.25	No	1,393.46
Griffith City Council	URS	27,173	1,639	1,227	4,841,588	1,925,949	6,767,537	178.18	No	1,569.64
Gunnedah Shire Council	RAV	12,713	4,987	1,366	3,694,903	1,912,160	5,607,063	290.64	No	1,399.82
Gwydir Shire Council	RAL	5,323	9,260	1,737	3,573,347	2,223,516	5,796,863	671.30	No	1,280.09
Hawkesbury City Council	UFM	68,009	2,775	920	2,949,719	2,007,571	4,957,290	43.37	No	2,182.14
Hay Shire Council	RAM	2,945	11,326	777	3,001,923	964,372	3,966,295	1,019.33	No	1,241.15
Hilltops Council	RAV	18,553	7,141	2,428	6,299,674	3,344,520	9,644,194	339.55	No	1,377.48
Hornsby Shire Council	UFV	150,698	455	560	3,585,275	1,659,410	5,244,685	23.79	Yes	2,963.23
Hunter’s Hill Council	UDS	14,861	6	48	398,149	147,741	545,890	26.79	No	3,077.94
Inner West Council	UDV	199,759	35	424	4,752,436	1,584,461	6,336,897	23.79	Yes	3,736.94
Inverell Shire Council	RAV	17,696	9,405	1,874	4,871,093	2,637,743	7,508,836	275.27	No	1,407.55
Junee Shire Council	RAL	6,738	2,030	826	2,431,220	1,111,430	3,542,650	360.82	No	1,345.56
Kempsey Shire Council	URS	30,092	3,376	1,109	5,137,407	2,230,543	7,367,950	170.72	No	2,011.31
Kiama Municipal Council	URS	24,006	258	228	1,476,572	594,414	2,070,986	61.51	No	2,607.08
Ku-Ring-Gai Council	UDV	126,554	85	444	3,010,827	1,325,069	4,335,896	23.79	Yes	2,984.39
Kyogle Council	RAL	8,841	3,584	1,064	3,567,645	1,890,267	5,457,912	403.53	No	1,776.57
Lachlan Council	RAL	6,025	14,968	3,339	7,192,082	4,036,662	11,228,744	1,193.71	No	1,208.94
Lake Macquarie City Council	URV	210,031	649	1,336	15,193,788	3,294,261	18,488,049	72.34	No	2,465.76
Lane Cove Municipal Council	UDM	40,336	11	93	1,014,045	336,248	1,350,293	25.14	No	3,615.57
Leeton Shire Council	RAV	11,242	1,167	878	4,189,144	1,243,473	5,432,617	372.63	No	1,416.26
Lismore City Council	URM	43,790	1,288	1,097	5,027,702	2,320,083	7,347,785	114.81	No	2,114.93
Liverpool City Council	UDV	234,917	306	923	7,098,553	2,789,936	9,888,489	30.22	No	3,022.68
Liverpool Plains Shire Council	RAL	7,848	5,082	1,195	3,041,425	1,638,433	4,679,858	387.54	No	1,371.07

Council name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Lockhart Shire Council	RAM	3,221	2,896	1,218	2,800,796	1,603,492	4,404,288	869.54	No	1,316.50
Lord Howe Island Board	RTX	445	–	–	317,875	–	317,875	714.33	No	–
Maitland City Council	URL	90,449	392	708	6,346,969	1,702,148	8,049,117	70.17	No	2,404.16
Mid-Coast Council	URL	95,209	10,054	3,278	14,291,538	6,449,739	20,741,277	150.11	No	1,967.58
Mid-Western Regional Council	URS	25,563	8,752	1,933	5,033,997	2,931,287	7,965,284	196.93	No	1,516.44
Moree Plains Shire Council	RAV	12,988	17,903	2,599	6,052,624	3,435,035	9,487,659	466.02	No	1,321.68
Mosman Municipal Council	UDM	30,122	9	85	822,046	273,177	1,095,223	27.29	No	3,213.85
Murray River Council	RAV	12,571	11,863	2,515	6,477,736	3,483,302	9,961,038	515.29	No	1,385.01
Murrumbidgee Council	RAM	3,871	6,881	1,591	3,652,844	1,950,123	5,602,967	943.64	No	1,225.72
Muswellbrook Shire Council	RAV	16,212	3,405	576	3,241,189	1,083,375	4,324,564	199.93	No	1,880.86
Nambucca Valley Council	RAV	19,911	1,491	682	3,452,063	1,451,048	4,903,111	173.37	No	2,127.64
Narrabri Shire Council	RAV	12,948	13,015	2,138	5,892,650	2,798,173	8,690,823	455.10	No	1,308.78
Narrandera Shire Council	RAL	5,834	4,116	1,479	3,978,182	1,887,921	5,866,103	681.90	No	1,276.48
Narromine Shire Council	RAL	6,392	5,262	1,369	3,626,808	1,721,752	5,348,560	567.40	No	1,257.67
Newcastle City Council	URV	168,880	187	751	11,673,914	2,102,430	13,776,344	69.13	No	2,799.51
North Sydney Council	UDL	73,712	11	143	1,753,671	560,437	2,314,108	23.79	Yes	3,919.14
Northern Beaches Council	UDV	272,184	254	800	6,475,500	2,580,295	9,055,795	23.79	Yes	3,225.37
Oberon Council	RAL	5,425	3,625	870	2,274,857	1,145,096	3,419,953	419.33	No	1,316.20
Orange City Council	URM	42,809	284	482	4,121,312	1,411,292	5,532,604	96.27	No	2,927.99
Parkes Shire Council	RAV	14,623	5,958	1,936	5,144,065	2,536,134	7,680,199	351.78	No	1,309.99
Penrith City Council	UFV	219,173	405	1,149	9,270,373	3,051,365	12,321,738	42.30	No	2,655.67
Port Macquarie Hastings Council	URL	87,560	3,682	1,267	7,165,830	3,561,452	10,727,282	81.84	No	2,810.93
Port Stephens Council	URL	75,685	858	670	6,127,512	1,475,594	7,603,106	80.96	No	2,202.38
Queanbeyan-Palerang Regional Council	URM	63,491	5,319	1,412	4,140,594	2,994,320	7,134,914	65.22	No	2,120.62
Randwick City Council	UDV	153,498	36	278	3,651,848	1,137,055	4,788,903	23.79	Yes	4,090.13

Council name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Richmond Valley Council	URS	23,572	3,047	997	4,261,984	1,872,124	6,134,108	180.81	No	1,877.76
Shoalhaven City Council	URL	108,892	4,567	1,661	10,056,829	4,215,722	14,272,551	92.36	No	2,538.06
Silverton Village Committee Incorporated	RTX	35	–	–	40,074	–	40,074	1,144.97	No	–
Singleton Council	URS	23,573	4,893	810	3,023,651	1,579,464	4,603,115	128.27	No	1,949.96
Snowy Monaro Regional Council	URS	21,207	15,165	2,311	7,962,711	3,269,939	11,232,650	375.48	No	1,414.95
Snowy Valleys Council	RAV	14,349	8,959	1,027	5,246,815	1,646,975	6,893,790	365.66	No	1,603.68
Strathfield Municipal Council	UDM	47,705	14	86	1,183,222	357,163	1,540,385	24.80	No	4,153.06
Sutherland Shire Council	UDV	234,275	334	802	5,573,601	2,387,043	7,960,644	23.79	Yes	2,976.36
Tamworth Regional Council	URM	62,782	9,884	2,967	7,170,999	5,067,694	12,238,693	114.22	No	1,708.02
Temora Shire Council	RAL	6,249	2,802	1,241	2,922,100	1,572,881	4,494,981	467.61	No	1,267.43
Tenterfield Shire Council	RAL	6,502	7,324	1,449	4,006,670	1,972,648	5,979,318	616.22	No	1,361.39
The Council of Camden	UFL	114,516	202	723	2,724,434	1,982,161	4,706,595	23.79	Yes	2,741.58
The Council of the City of Sydney	UCC	242,237	27	300	5,763,024	1,618,443	7,381,467	23.79	Yes	5,394.81
The Hills Shire Council	UFV	188,557	386	911	4,485,949	2,440,192	6,926,141	23.79	Yes	2,678.59
Tibooburra Village Committee Incorporated	RTX	95	–	–	89,995	–	89,995	947.32	No	–
Tweed Shire Council	URL	99,480	1,308	1,105	8,794,444	3,481,556	12,276,000	88.40	No	3,150.73
Upper Hunter Shire Council	RAV	14,152	8,096	1,582	3,856,415	2,322,761	6,179,176	272.50	No	1,468.24
Upper Lachlan Shire Council	RAL	8,419	7,127	1,651	3,542,278	2,269,584	5,811,862	420.75	No	1,374.67
Uralla Shire Council	RAL	5,883	3,227	779	2,082,561	1,107,268	3,189,829	354.00	No	1,421.40
Wagga Wagga City Council	URM	66,408	4,825	2,122	7,952,857	3,897,298	11,850,155	119.76	No	1,836.62
Walcha Council	RAM	3,103	6,261	822	1,955,597	1,125,471	3,081,068	630.23	No	1,369.19
Walgett Shire Council	RAL	5,785	22,308	1,814	5,656,160	2,332,525	7,988,685	977.73	No	1,285.85
Warren Shire Council	RAM	2,708	10,754	964	2,427,439	1,240,266	3,667,705	896.40	No	1,286.58
Warrumbungle Shire Council	RAL	9,118	12,372	2,276	5,694,076	2,923,569	8,617,645	624.49	No	1,284.52
Waverley Council	UDL	72,743	9	113	1,730,618	506,324	2,236,942	23.79	Yes	4,480.74

Council name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Weddin Shire Council	RAM	3,577	3,415	957	2,290,783	1,207,458	3,498,241	640.42	No	1,261.71
Wentworth Shire Council	RAL	7,142	26,256	1,660	4,997,676	2,083,731	7,081,407	699.76	No	1,255.26
Willoughby City Council	UDL	79,556	22	200	1,892,705	687,128	2,579,833	23.79	Yes	3,435.64
Wingecarribee Shire Council	URM	52,309	2,689	1,082	3,657,954	2,306,301	5,964,255	69.93	No	2,131.52
Wollondilly Shire Council	UFM	54,772	2,555	750	2,705,152	1,622,843	4,327,995	49.39	No	2,163.79
Wollongong City Council	URV	220,659	684	985	18,236,613	2,912,145	21,148,758	82.65	No	2,956.49
Yass Valley Council	RAV	17,608	3,995	1,082	2,165,900	1,665,995	3,831,895	123.01	No	1,539.74

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* – Indigenous local governing body

Table 44 Distribution of 2022–23 actual entitlement to councils in Victoria

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Alpine Shire	RAV	13,549	4,788	685	3,182,961	1,259,654	4,442,615	234.92	No	1,838.91
Ararat Rural City Council	RAV	11,922	4,211	2,424	4,331,973	2,678,475	7,010,448	363.36	No	1,104.98
Ballarat City Council	URL	113,183	739	1,470	13,481,115	2,951,354	16,432,469	119.11	No	2,007.72
Banyule City Council	UDV	129,387	63	545	3,064,366	1,111,254	4,175,620	23.68	Yes	2,039.00
Bass Coast Shire Council	UFM	38,825	866	969	5,993,435	1,731,446	7,724,881	154.37	No	1,786.84
Baw Baw Shire Council	URM	56,672	4,028	2,038	7,961,918	3,374,342	11,336,260	140.49	No	1,655.71
Bayside City Council	UDL	105,580	37	356	2,500,528	602,128	3,102,656	23.68	Yes	1,691.37
Benalla Rural City Council	RAV	14,131	2,353	1,331	3,172,835	1,721,159	4,893,994	224.53	No	1,293.13
Borough of Queenscliffe	UFS	3,054	9	43	554,426	68,743	623,169	181.54	No	1,598.67
Brimbank City Council	UDV	201,680	123	894	13,344,084	2,037,801	15,381,885	66.16	No	2,279.42
Buloke Shire Council	RAL	6,071	8,000	5,381	4,658,369	2,933,834	7,592,203	767.31	No	545.22
Campaspe Shire Council	URM	37,762	4,519	4,011	9,206,708	4,772,199	13,978,907	243.81	No	1,189.78
Cardinia Shire Council	UFL	118,675	1,283	1,590	10,794,108	3,104,981	13,899,089	90.96	No	1,952.82
Casey City Council	UDV	368,861	409	1,856	21,134,646	3,310,677	24,445,323	57.30	No	1,783.77
Central Goldfields Shire Council	RAV	13,154	1,533	1,280	3,268,742	1,435,934	4,704,676	248.50	No	1,121.82
City of Boroondara	UDV	176,632	60	567	4,183,304	1,082,757	5,266,061	23.68	Yes	1,909.62
City of Darebin	UDV	162,501	54	514	3,848,629	1,045,434	4,894,063	23.68	Yes	2,033.92
City of Glen Eira	UDV	155,123	39	483	3,673,891	760,580	4,434,471	23.68	Yes	1,574.70
City of Greater Dandenong	UDV	163,266	130	692	10,947,814	1,831,314	12,779,128	67.06	No	2,646.41
City of Greater Geelong	URV	269,508	1,248	2,370	21,684,387	4,229,053	25,913,440	80.46	No	1,784.41
City of Knox	UDV	162,769	114	725	7,024,100	1,360,002	8,384,102	43.15	No	1,875.86
City of Maribyrnong	UDL	93,467	31	307	2,371,154	698,867	3,070,021	25.37	No	2,276.44
City of Port Phillip	UDL	112,092	21	215	2,654,756	501,300	3,156,056	23.68	Yes	2,331.63
City of Whittlesea	UFV	237,932	490	1,359	14,335,570	2,770,311	17,105,881	60.25	No	2,038.49

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Colac Otway Shire	URS	21,532	3,438	1,632	4,903,651	3,093,607	7,997,258	227.74	No	1,895.59
Corangamite Shire Council	RAV	15,813	4,408	2,369	5,199,975	4,119,746	9,319,721	328.84	No	1,739.02
East Gippsland Shire Council	URM	48,376	20,940	2,974	13,300,702	5,526,361	18,827,063	274.94	No	1,858.22
Frankston City Council	UDV	142,147	130	703	8,206,419	1,293,552	9,499,971	57.73	No	1,840.05
Gannawarra Shire Council	RAV	10,438	3,735	2,257	4,201,771	2,363,376	6,565,147	402.55	No	1,047.13
Glenelg Shire Council	RAV	19,559	6,219	2,629	6,065,478	4,072,509	10,137,987	310.11	No	1,549.07
Golden Plains Shire Council	UFS	24,765	2,703	1,736	4,571,423	2,526,498	7,097,921	184.59	No	1,455.36
Greater Bendigo City Council	URL	121,382	3,000	3,142	16,241,321	4,111,855	20,353,176	133.80	No	1,308.67
Greater Shepparton City Council	URM	66,786	2,422	2,542	11,740,170	3,703,105	15,443,275	175.79	No	1,456.77
Hepburn Shire Council	RAV	16,281	1,473	1,454	4,050,943	1,825,104	5,876,047	248.81	No	1,255.23
Hindmarsh Shire Council	RAL	5,564	7,524	3,025	3,328,253	1,781,065	5,109,318	598.18	No	588.78
Hobsons Bay City Council	UDL	96,317	64	431	2,281,145	891,746	3,172,891	23.68	Yes	2,069.02
Horsham Rural City Council	RAV	19,961	4,267	2,980	4,835,894	2,587,231	7,423,125	242.27	No	868.20
Hume City Council	UFV	243,738	504	1,421	15,919,993	3,224,284	19,144,277	65.32	No	2,269.02
Indigo Shire Council	RAV	16,979	2,040	1,571	3,795,787	1,991,839	5,787,626	223.56	No	1,267.88
Kingston City Council	UDV	164,680	91	604	3,900,236	1,245,195	5,145,431	23.68	Yes	2,061.58
Latrobe City Council	URL	76,156	1,426	1,637	11,797,783	3,028,618	14,826,401	154.92	No	1,850.10
Loddon Shire Council	RAL	7,497	6,696	4,727	6,107,624	4,319,590	10,427,214	814.68	No	913.81
Macedon Ranges Shire Council	URM	51,743	1,748	1,643	6,329,105	2,572,295	8,901,400	122.32	No	1,565.61
Manningham City Council	UDV	126,924	113	607	3,006,033	991,639	3,997,672	23.68	Yes	1,633.67
Mansfield Shire Council	RAL	10,022	3,844	821	2,552,660	1,075,182	3,627,842	254.71	No	1,309.60
Maroondah City Council	UDL	117,484	61	474	4,346,452	917,383	5,263,835	37.00	No	1,935.41
Melbourne City Council (City of Melbourne)	UCC	169,860	37	243	4,022,917	846,617	4,869,534	23.68	Yes	3,484.02
Melton City Council	UFV	179,107	528	1,326	18,217,835	2,879,225	21,097,060	101.71	No	2,171.36
Merri-bek City Council	UDV	184,707	51	521	4,374,549	1,096,260	5,470,809	23.68	Yes	2,104.15

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Mildura Rural City Council	URM	55,235	22,083	5,225	12,971,656	4,885,553	17,857,209	234.84	No	935.03
Mitchell Shire Council	URM	49,216	2,862	1,538	7,244,017	2,361,223	9,605,240	147.19	No	1,535.26
Moira Shire Council	URS	30,001	4,046	3,655	8,302,879	4,590,442	12,893,321	276.75	No	1,255.93
Monash City Council	UDV	197,980	82	736	4,688,904	1,452,198	6,141,102	23.68	Yes	1,973.10
Moonee Valley City Council	UDV	129,379	43	411	3,064,177	825,880	3,890,057	23.68	Yes	2,009.44
Moorabool Shire Council	URM	36,773	2,111	1,533	5,488,254	2,319,380	7,807,634	149.25	No	1,512.97
Mornington Peninsula Shire Council	UFV	168,865	724	1,708	3,999,353	2,915,524	6,914,877	23.68	Yes	1,706.98
Mount Alexander Shire Council	RAV	20,196	1,530	1,432	4,041,515	2,096,239	6,137,754	200.11	No	1,463.85
Murrindindi Shire Council	RAV	14,887	3,880	1,203	3,550,458	1,948,198	5,498,656	238.49	No	1,619.45
Nillumbik Shire Council	UFM	64,659	432	775	2,078,632	1,353,471	3,432,103	32.15	No	1,746.41
Northern Grampians Shire Council	RAV	11,381	5,730	3,370	5,619,891	3,458,973	9,078,864	493.80	No	1,026.40
Pyrenees Shire Council	RAL	7,622	3,435	2,036	3,921,193	2,511,672	6,432,865	514.46	No	1,233.63
Shire of Moyne	RAV	17,221	5,482	2,744	5,340,890	4,907,503	10,248,393	310.14	No	1,788.45
Shire of Strathbogie	RAV	11,167	3,303	2,208	3,834,064	2,594,623	6,428,687	343.34	No	1,175.10
Shire of Towong	RAL	6,073	6,675	1,183	3,524,059	2,101,255	5,625,314	580.28	No	1,776.21
South Gippsland Shire Council	URS	30,455	3,296	2,111	7,256,293	4,404,637	11,660,930	238.26	No	2,086.52
Southern Grampians Shire Council	RAV	16,047	6,654	2,988	5,274,242	3,622,012	8,896,254	328.67	No	1,212.19
Stonnington City Council	UDL	114,340	26	256	2,707,997	527,039	3,235,036	23.68	Yes	2,058.75
Surf Coast Shire	UFM	36,278	1,553	1,128	3,451,230	1,921,938	5,373,168	95.13	No	1,703.85
Swan Hill Rural City Council	URS	20,159	6,115	3,425	5,384,635	2,646,438	8,031,073	267.11	No	772.68
Wangaratta Rural City Council	URS	29,379	3,645	1,983	5,753,916	2,857,055	8,610,971	195.85	No	1,440.77
Warrnambool City Council	URM	35,607	121	341	4,262,277	762,995	5,025,272	119.70	No	2,237.52
Wellington Shire Council	URM	45,092	10,817	3,035	10,687,953	5,707,164	16,395,117	237.03	No	1,880.45
West Wimmera Shire Council	RAM	3,750	9,108	2,822	4,098,085	2,753,834	6,851,919	1,092.82	No	975.84

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Whitehorse City Council	UDV	175,970	64	634	4,167,626	1,223,193	5,390,819	23.68	Yes	1,929.33
Wodonga City Council	URM	43,186	433	517	5,582,065	954,666	6,536,731	129.26	No	1,846.55
Wyndham City Council	UFV	289,571	542	1,671	19,121,021	3,072,261	22,193,282	66.03	No	1,838.58
Yarra City Council	UDL	99,622	20	216	2,359,420	473,965	2,833,385	23.68	Yes	2,194.28
Yarra Ranges Shire Council	UFV	158,831	2,468	1,761	12,490,385	3,854,963	16,345,348	78.64	No	2,189.08
Yarriambiack Shire Council	RAL	6,451	7,326	4,824	3,971,818	2,439,408	6,411,226	615.69	No	505.68

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* – Indigenous local governing body

Table 45 Distribution of 2022–23 actual entitlement to councils in Queensland

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Aurukun Shire Council*	RTM	1,347	7,424	130	2,894,144	95,989	2,990,133	2,148.59	No	738.38
Balonne Shire Council	RAM	4,286	31,104	2,473	6,058,554	2,322,065	8,380,619	1,413.57	No	938.97
Banana Shire Council	RAV	13,985	28,550	3,860	6,068,422	3,774,098	9,842,520	433.92	No	977.75
Barcaldine Regional Council	RTM	2,800	53,383	2,916	7,205,829	2,533,139	9,738,968	2,573.51	No	868.70
Barcoo Shire Council	RTX	262	61,830	1,649	3,957,305	1,250,468	5,207,773	15,104.22	No	758.32
Blackall-Tambo Regional Council	RTM	1,827	30,537	1,867	4,472,527	1,612,960	6,085,487	2,448.02	No	863.93
Boulia Shire Council	RTS	419	60,907	1,329	3,894,448	1,035,210	4,929,658	9,294.63	No	778.94
Brisbane City Council	UCC	1,272,461	1,343	5,808	30,338,055	15,803,945	46,142,000	23.84	Yes	2,721.06
Bulloo Shire Council	RTX	322	73,722	1,962	6,823,100	1,511,473	8,334,573	21,189.75	No	770.37
Bundaberg Regional Council	URL	96,914	6,431	3,076	5,198,174	2,458,199	7,656,373	53.64	No	799.15
Burdekin Shire Council	RAV	16,844	5,044	1,145	4,114,847	1,322,416	5,437,263	244.29	No	1,154.95
Burke Shire Council	RTX	354	39,681	592	4,157,330	703,201	4,860,531	11,743.87	No	1,187.84
Cairns Regional Council	URV	168,853	1,689	1,365	4,025,799	2,169,211	6,195,010	23.84	Yes	1,589.17
Carpentaria Shire Council	RTM	1,971	64,121	1,662	5,855,648	1,393,818	7,249,466	2,970.90	No	838.64
Cassowary Coast Regional Council	URS	29,900	4,688	1,202	3,171,678	1,742,805	4,914,483	106.08	No	1,449.92
Central Highlands Regional Council	URS	28,548	59,835	4,583	6,330,523	4,334,195	10,664,718	221.75	No	945.71
Charters Towers Regional Council	RAV	11,676	68,382	3,809	5,220,558	3,554,410	8,774,968	447.12	No	933.16
Cherbourg Aboriginal Shire Council*	RTM	1,354	32	71	1,569,178	59,983	1,629,161	1,158.92	No	844.83
Cloncurry Shire Council	RTL	3,052	47,971	1,551	6,087,496	1,430,133	7,517,629	1,994.59	No	922.07
Cook Shire Council	RTL	4,638	105,718	2,932	9,983,961	2,732,945	12,716,906	2,152.64	No	932.11
Croydon Shire Council	RTX	288	29,498	1,088	4,436,011	987,059	5,423,070	15,402.82	No	907.22
Diamantina Shire Council	RTX	287	94,722	1,061	3,966,815	739,343	4,706,158	13,821.66	No	696.84

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Doomadgee Aboriginal Shire Council*	RTM	1,535	1,828	113	2,561,462	90,851	2,652,313	1,668.70	No	803.99
Douglas Shire Council	RAV	12,519	2,428	443	2,304,953	685,003	2,989,956	184.12	No	1,546.28
Etheridge Shire Council	RTS	803	39,199	1,753	5,499,753	1,455,230	6,954,983	6,849.01	No	830.14
Flinders Shire Council	RTM	1,522	41,200	1,999	6,985,959	1,808,835	8,794,794	4,589.99	No	904.87
Fraser Coast Regional Council	URL	109,856	7,105	2,637	4,929,089	2,306,685	7,235,774	44.87	No	874.74
Gladstone Regional Council	URM	64,186	10,484	2,602	5,441,199	3,689,216	9,130,415	84.77	No	1,417.84
Gold Coast City Council	URV	643,461	1,333	3,263	15,341,417	7,740,190	23,081,607	23.84	Yes	2,372.11
Goondiwindi Regional Council	RAV	10,777	19,266	2,484	5,057,522	2,286,638	7,344,160	469.29	No	920.55
Gympie Regional Council	URM	53,726	6,884	2,306	3,563,739	3,035,039	6,598,778	66.33	No	1,316.15
Hinchinbrook Shire Council	RAV	10,656	2,807	693	2,728,872	847,594	3,576,466	256.09	No	1,223.08
Hope Vale Aboriginal Shire Council*	RTM	1,157	1,112	132	2,353,061	100,950	2,454,011	2,033.76	No	764.77
Ipswich City Council	URV	236,708	1,094	1,960	5,643,600	3,002,478	8,646,078	23.84	Yes	1,531.88
Isaac Regional Council	URS	20,965	58,708	3,291	4,889,422	3,020,846	7,910,268	233.22	No	917.91
Kowanyama Aboriginal Shire Council*	RTS	1,016	2,555	352	2,522,997	253,372	2,776,369	2,483.26	No	719.81
Livingstone Shire Council	UFM	39,125	11,758	1,453	2,733,153	1,863,995	4,597,148	69.86	No	1,282.86
Lockhart River Aboriginal Shire Council*	RTS	817	3,577	176	2,802,579	128,965	2,931,544	3,430.33	No	732.76
Lockyer Valley Regional Council	URM	42,840	2,269	1,530	2,967,023	2,999,477	5,966,500	69.26	No	1,960.44
Logan City Council	URV	348,020	958	2,564	8,297,504	4,915,065	13,212,569	23.84	Yes	1,916.95
Longreach Regional Council	RTL	3,386	40,572	2,748	7,851,301	2,325,942	10,177,243	2,318.75	No	846.41
Mackay Regional Council	URL	118,723	7,613	2,451	3,273,329	2,378,999	5,652,328	27.57	No	970.62
Mapoon Aboriginal Shire Council*	RTX	346	537	58	2,223,415	42,930	2,266,345	6,426.05	No	740.17
Maranoa Regional Council	RAV	12,706	58,719	5,825	12,258,761	5,367,744	17,626,505	964.80	No	921.50
Mareeba Shire Council	URS	23,309	53,491	2,304	6,736,754	2,197,446	8,934,200	289.02	No	953.75

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Mckinlay Shire Council	RTS	832	40,737	1,633	5,348,661	1,553,770	6,902,431	6,428.68	No	951.48
Moreton Bay Regional Council	URV	486,645	2,042	3,676	11,602,606	6,395,614	17,998,220	23.84	Yes	1,739.83
Mornington Shire Council*	RTM	1,233	1,248	158	3,289,167	119,775	3,408,942	2,667.61	No	758.07
Mount Isa City Council	RTL	18,271	43,715	2,033	6,285,246	1,978,496	8,263,742	344.00	No	973.19
Murweh Shire Council	RTL	4,150	40,700	2,782	6,508,455	2,579,818	9,088,273	1,568.30	No	927.32
Napranum Aboriginal Shire Council*	RTM	1,114	2,004	173	2,406,529	129,171	2,535,700	2,160.26	No	746.65
Noosa Shire Council	URM	56,796	870	876	1,354,132	950,049	2,304,181	23.84	Yes	1,084.53
North Burnett Regional Council	RAV	10,702	19,670	4,203	8,483,405	3,756,300	12,239,705	792.69	No	893.72
Northern Peninsula Area Regional Council*	RTL	3,255	1,052	363	5,133,848	278,325	5,412,173	1,577.22	No	766.74
Palm Island Aboriginal Shire Council*	RTM	2,691	72	43	3,075,087	51,786	3,126,873	1,142.73	No	1,204.33
Paroo Shire Council	RTM	1,544	47,615	2,358	5,577,064	1,933,391	7,510,455	3,612.09	No	819.93
Pormpuraaw Aboriginal Shire Council*	RTS	860	4,395	454	2,560,795	333,400	2,894,195	2,977.67	No	734.36
Quilpie Shire Council	RTS	769	67,415	2,061	5,151,315	1,569,508	6,720,823	6,698.72	No	761.53
Redland City Council	URV	161,463	537	1,218	3,849,606	2,056,582	5,906,188	23.84	Yes	1,688.49
Richmond Shire Council	RTS	824	26,581	1,297	4,048,704	1,233,075	5,281,779	4,913.48	No	950.71
Rockhampton Regional Council	URL	82,311	6,570	2,032	5,561,979	1,709,637	7,271,616	67.57	No	841.36
Scenic Rim Regional Council	UFM	44,027	4,243	1,819	1,803,091	2,396,709	4,199,800	40.95	No	1,317.60
Somerset Regional Council	UFS	26,553	5,373	1,866	1,997,099	2,221,646	4,218,745	75.21	No	1,190.59
South Burnett Regional Council	URM	32,920	8,382	2,995	4,231,323	3,022,685	7,254,008	128.53	No	1,009.24
Southern Downs Regional Council	URM	35,433	7,106	3,112	3,660,536	3,317,540	6,978,076	103.31	No	1,066.05
Sunshine Coast Regional Council	URV	343,590	2,254	2,971	8,191,884	4,430,626	12,622,510	23.84	Yes	1,491.29
Tablelands Regional Council	URS	25,697	11,293	1,848	4,181,019	2,260,344	6,441,363	162.70	No	1,223.13
Toowoomba Regional Council	URV	171,135	12,957	6,664	7,385,949	4,921,543	12,307,492	43.16	No	738.53

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Torres Shire Council	RTL	3,958	884	299	5,429,685	376,694	5,806,379	1,371.83	No	1,259.85
Torres Strait Island Regional Council*	RTL	5,236	490	187	13,753,286	238,926	13,992,212	2,626.68	No	1,277.68
Townsville City Council	URV	197,992	3,731	1,827	4,720,532	2,735,629	7,456,161	23.84	Yes	1,497.33
Western Downs Regional Council	URM	34,560	37,923	7,463	9,493,127	6,917,426	16,410,553	274.69	No	926.90
Whitsunday Regional Council	URM	36,154	23,819	1,792	4,031,875	2,019,529	6,051,404	111.52	No	1,126.97
Winton Shire Council	RTM	1,140	53,814	2,488	5,086,559	2,223,083	7,309,642	4,461.89	No	893.52
Woorabinda Aboriginal Shire Council*	RTM	1,001	391	56	1,801,608	47,074	1,848,682	1,799.81	No	840.61
Wujal Wujal Aboriginal Shire Council*	RTX	319	12	18	1,697,012	15,040	1,712,052	5,319.79	No	835.56
Yarrabah Aboriginal Shire Council*	RTM	2,955	159	59	2,088,798	64,444	2,153,242	706.87	No	1,092.27

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* – Indigenous local governing body

Table 46 Distribution of 2022–23 actual entitlement to councils in Western Australia

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
City of Albany	URM	38,370	4,309	1,602	3,219,229	2,196,700	5,415,929	83.90	No	1,371.22
City of Armadale	UFM	96,128	560	791	2,396,552	1,769,418	4,165,970	24.93	No	2,236.94
City of Bayswater	UDM	68,877	35	350	1,655,053	944,899	2,599,952	24.03	Yes	2,699.71
City of Belmont	UDM	42,795	40	228	1,028,325	652,963	1,681,288	24.03	Yes	2,863.87
City of Bunbury	URM	31,508	65	320	757,108	1,030,958	1,788,066	24.03	Yes	3,221.74
City of Busselton	URM	41,041	1,454	1,088	986,178	1,703,940	2,690,118	24.03	Yes	1,566.12
City of Canning	UDL	93,611	65	578	2,249,388	1,571,391	3,820,779	24.03	Yes	2,718.67
City of Cockburn	UDL	119,928	168	875	2,881,762	2,428,746	5,310,508	24.03	Yes	2,775.71
City of Fremantle	UDM	31,901	19	176	766,552	461,591	1,228,143	24.03	Yes	2,622.68
City of Gosnells	UDV	126,459	127	785	3,038,696	1,995,650	5,034,346	24.03	Yes	2,542.23
City of Greater Geraldton	URM	38,146	9,909	2,078	4,649,624	2,387,075	7,036,699	121.89	No	1,148.74
City of Joondalup	UDV	160,579	99	1,014	3,858,569	2,584,866	6,443,435	24.03	Yes	2,549.18
City of Kalamunda	UFM	59,435	324	621	1,428,169	1,374,338	2,802,507	24.03	Yes	2,213.10
City of Kalgoorlie-Boulder[sw]	URM	28,709	95,500	1,372	1,706,537	2,102,205	3,808,742	59.44	No	1,532.22
City of Karratha	URS	23,243	15,238	625	1,326,139	1,364,105	2,690,244	57.06	No	2,182.57
City of Kwinana	UFM	48,212	120	430	1,158,491	937,072	2,095,563	24.03	Yes	2,179.24
City of Mandurah	UFL	89,448	175	696	2,149,355	1,569,193	3,718,548	24.03	Yes	2,254.59
City of Melville	UDL	103,459	53	527	2,486,027	1,311,086	3,797,113	24.03	Yes	2,487.83
City of Nedlands	UDS	22,652	20	136	544,307	346,823	891,130	24.03	Yes	2,550.17
City of Perth	UCC	31,240	14	106	750,669	426,282	1,176,951	24.03	Yes	4,021.53
City of Rockingham	UFV	140,923	258	1,094	3,386,252	2,506,962	5,893,214	24.03	Yes	2,291.56
City of South Perth	UDM	43,665	20	191	1,049,231	480,819	1,530,050	24.03	Yes	2,517.38
City of Stirling	UDV	223,260	105	1,029	5,364,737	2,568,037	7,932,774	24.03	Yes	2,495.66
City of Subiaco	UDS	17,210	6	77	413,541	225,094	638,635	24.03	Yes	2,923.30

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
City of Swan[sw]	UFV	156,254	1,043	1,535	3,754,643	3,812,850	7,567,493	24.03	Yes	2,483.94
City of Vincent	UDS	37,028	11	146	889,750	433,889	1,323,639	24.03	Yes	2,971.84
City of Wanneroo	UFV	215,878	683	1,601	5,187,354	3,762,003	8,949,357	24.03	Yes	2,349.78
Shire of Ashburton	RTL	13,285	100,817	1,628	2,364,254	1,053,794	3,418,048	177.96	No	647.29
Shire of Augusta Margaret River	RSG	17,130	2,122	907	591,011	1,212,134	1,803,145	34.50	No	1,336.42
Shire of Beverley	RAS	1,767	2,371	695	782,673	561,842	1,344,515	442.94	No	808.41
Shire of Boddington	RAS	1,776	1,905	266	77,797	247,686	325,483	43.80	No	931.15
Shire of Boyup Brook	RAS	1,793	2,827	1,020	929,762	799,393	1,729,155	518.55	No	783.72
Shire of Bridgetown Greenbushes	RAM	4,828	1,337	685	1,097,984	794,340	1,892,324	227.42	No	1,159.62
Shire of Brookton	RAS	946	1,601	537	869,519	417,980	1,287,499	919.15	No	778.36
Shire of Broome	RTL	16,961	54,402	356	1,830,862	666,104	2,496,966	107.95	No	1,871.08
Shire of Broomehill-Tambellup	RAS	1,076	2,610	972	1,145,662	766,523	1,912,185	1,064.74	No	788.60
Shire of Bruce Rock[sw]	RAS	950	2,725	1,173	1,806,634	1,132,380	2,939,014	1,901.72	No	965.37
Shire of Capel	URS	18,617	558	503	1,685,742	752,592	2,438,334	90.55	No	1,496.21
Shire of Carnamah	RAS	525	2,871	671	1,121,532	557,521	1,679,053	2,136.25	No	830.88
Shire of Carnarvon	RAL	4,995	46,575	1,530	4,032,252	1,614,326	5,646,578	807.26	No	1,055.12
Shire of Chapman Valley[sw]	RAS	1,553	3,981	866	591,710	789,763	1,381,473	381.01	No	911.97
Shire of Chittering[sw]	RAL	6,175	1,220	439	1,150,984	741,124	1,892,108	186.39	No	1,688.21
Shire of Collie	RAL	8,625	1,710	390	1,385,155	578,199	1,963,354	160.60	No	1,482.56
Shire of Coolgardie	RTL	3,382	30,298	848	645,974	614,341	1,260,315	191.00	No	724.46
Shire of Coorow	RAS	958	4,190	857	1,613,085	651,757	2,264,842	1,683.80	No	760.51
Shire of Corrigin	RAS	1,136	2,681	1,058	1,404,383	808,708	2,213,091	1,236.25	No	764.37
Shire of Cranbrook	RAS	1,033	3,276	1,015	1,061,783	764,070	1,825,853	1,027.86	No	752.78
Shire of Cuballing	RAS	859	1,195	555	578,795	399,302	978,097	673.80	No	719.46
Shire of Cue	RTX	144	13,582	729	1,749,784	588,011	2,337,795	12,151.28	No	806.60

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Shire of Cunderdin	RAS	1,402	1,862	783	1,056,771	611,583	1,668,354	753.76	No	781.08
Shire of Dalwallinu	RAS	1,388	7,224	1,912	2,148,886	1,370,961	3,519,847	1,548.19	No	717.03
Shire of Dandaragan	RAM	3,367	6,712	1,292	918,822	1,192,880	2,111,702	272.89	No	923.28
Shire of Dardanup	RAV	14,695	526	432	937,707	628,593	1,566,300	63.81	No	1,455.08
Shire of Denmark	RAL	6,422	1,860	624	555,354	574,693	1,130,047	86.48	No	920.98
Shire of Derby West Kimberley[sw]	RTL	8,207	119,731	1,740	5,243,289	1,593,689	6,836,978	638.88	No	915.91
Shire of Donnybrook Balingup	RAL	6,241	1,560	669	1,357,760	781,453	2,139,213	217.55	No	1,168.09
Shire of Dowerin	RAS	658	1,863	932	977,837	654,248	1,632,085	1,486.07	No	701.98
Shire of Dumbleyung	RAS	666	2,539	994	1,243,770	737,295	1,981,065	1,867.52	No	741.75
Shire of Dundas	RTS	715	92,886	632	1,192,398	463,136	1,655,534	1,667.69	No	732.81
Shire of East Pilbara[sw]	RTL	10,868	372,296	3,110	3,091,861	3,046,582	6,138,443	284.49	No	979.61
Shire of Esperance	RAV	14,174	44,798	4,340	3,578,038	3,584,071	7,162,109	252.44	No	825.82
Shire of Exmouth	RTM	2,939	6,488	236	1,409,448	490,254	1,899,702	479.57	No	2,077.35
Shire of Gingin[sw]	RAL	5,419	3,208	875	1,055,590	1,386,223	2,441,813	194.79	No	1,584.25
Shire of Gnowangerup	RAS	1,210	4,265	1,026	1,059,209	772,195	1,831,404	875.38	No	752.63
Shire of Goomalling[sw]	RAS	975	1,835	583	543,414	684,243	1,227,657	557.35	No	1,173.66
Shire of Halls Creek[sw]	RTL	3,491	133,046	1,420	3,575,531	1,347,321	4,922,852	1,024.21	No	948.82
Shire of Harvey[sw]	URS	28,563	1,728	852	2,601,400	1,442,643	4,044,043	91.08	No	1,693.24
Shire of Irwin	RAM	3,591	2,369	446	369,097	397,277	766,374	102.78	No	890.76
Shire of Jerramungup	RAS	1,139	6,511	1,057	880,775	746,446	1,627,221	773.29	No	706.19
Shire of Katanning	RAM	4,024	1,518	692	1,843,659	595,047	2,438,706	458.17	No	859.89
Shire of Kellerberrin	RAS	1,180	1,915	946	1,727,109	689,226	2,416,335	1,463.65	No	728.57
Shire of Kent	RAS	564	5,625	1,324	1,369,221	869,594	2,238,815	2,427.70	No	656.79
Shire of Kojonup	RAS	1,894	2,931	1,112	852,219	808,483	1,660,702	449.96	No	727.05
Shire of Kondinin	RAS	866	7,441	1,337	1,741,761	941,576	2,683,337	2,011.27	No	704.25
Shire of Koorda	RAS	397	2,832	1,067	1,413,036	763,236	2,176,272	3,559.28	No	715.31

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Shire of Kulin	RAS	767	4,719	1,432	1,597,106	1,036,022	2,633,128	2,082.28	No	723.48
Shire of Lake Grace	RAS	1,274	11,886	2,280	1,920,451	1,531,473	3,451,924	1,507.42	No	671.70
Shire of Laverton[sw]	RTM	1,236	179,994	4,191	1,790,710	1,252,765	3,043,475	1,448.79	No	298.92
Shire of Leonora	RTM	1,572	31,915	1,226	520,257	789,219	1,309,476	330.95	No	643.73
Shire of Manjimup	RAL	9,089	7,030	1,308	2,909,258	1,643,988	4,553,246	320.09	No	1,256.87
Shire of Meekatharra	RTM	980	100,189	2,431	2,780,929	1,699,238	4,480,167	2,837.68	No	698.99
Shire of Menzies[sw]	RTS	533	124,115	1,621	1,632,270	1,056,792	2,689,062	3,062.42	No	651.94
Shire of Merredin	RAM	3,360	3,294	1,291	1,829,326	995,462	2,824,788	544.44	No	771.08
Shire of Mingenew[sw]	RAS	418	1,935	452	408,159	922,868	1,331,027	976.46	No	2,041.74
Shire of Moora	RAM	2,380	3,763	934	1,125,922	872,086	1,998,008	473.08	No	933.71
Shire of Morawa	RAS	660	3,511	971	1,335,419	686,545	2,021,964	2,023.36	No	707.05
Shire of Mount Magnet	RTS	455	13,858	579	1,736,273	395,706	2,131,979	3,815.98	No	683.43
Shire of Mount Marshall	RAS	507	10,185	1,676	1,773,820	1,042,041	2,815,861	3,498.66	No	621.74
Shire of Mukinbudin	RAS	520	3,427	905	1,167,158	642,504	1,809,662	2,244.53	No	709.95
Shire of Mundaring	UFM	39,161	643	671	1,678,051	1,241,039	2,919,090	42.85	No	1,849.54
Shire of Murchison	RTX	164	45,046	1,646	3,337,960	1,048,384	4,386,344	20,353.41	No	636.93
Shire of Murray[sw]	RAV	18,523	1,704	713	1,103,795	2,904,170	4,007,965	59.59	No	4,073.17
Shire of Nannup	RAS	1,420	3,054	490	963,394	573,710	1,537,104	678.45	No	1,170.84
Shire of Narembeen	RAS	846	3,809	1,409	1,439,914	967,945	2,407,859	1,702.03	No	686.97
Shire of Narrogin	RAL	4,870	1,631	800	1,653,330	701,195	2,354,525	339.49	No	876.49
Shire of Ngaanyatjarraku*[sw]	RTM	1,797	159,816	1,328	3,570,163	1,700,380	5,270,543	1,986.74	No	1,280.41
Shire of Northam[sw]	RAV	11,060	1,431	763	2,549,644	1,470,842	4,020,486	230.53	No	1,927.71
Shire of Northampton	RAM	2,826	12,544	1,073	1,483,935	858,253	2,342,188	525.10	No	799.86
Shire of Nungarin	RAS	243	1,166	509	1,082,668	373,760	1,456,428	4,455.42	No	734.30
Shire of Peppermint Grove	UDS	1,757	1	9	42,219	23,953	66,172	24.03	Yes	2,661.44
Shire of Perenjori	RAS	569	8,301	1,472	1,580,636	1,057,956	2,638,592	2,777.92	No	718.72

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Shire of Pingelly	RAS	1,150	1,295	568	1,093,086	438,473	1,531,559	950.51	No	771.96
Shire of Plantagenet	RAL	5,354	4,877	1,320	1,358,388	1,061,588	2,419,976	253.71	No	804.23
Shire of Quairading	RAS	983	2,017	863	1,390,895	677,112	2,068,007	1,414.95	No	784.60
Shire of Ravensthorpe[sw]	RAS	1,603	9,842	1,218	1,373,019	1,687,912	3,060,931	856.53	No	1,385.81
Shire of Sandstone	RTX	78	32,605	914	1,761,127	560,688	2,321,815	22,578.55	No	613.44
Shire of Serpentine Jarrahdale[sw]	UFS	35,087	901	740	1,583,985	1,530,966	3,114,951	45.14	No	2,068.87
Shire of Shark Bay	RTS	962	24,202	585	1,582,350	551,054	2,133,404	1,644.85	No	941.97
Shire of Tammin	RAS	394	1,102	495	876,132	346,133	1,222,265	2,223.69	No	699.26
Shire of Three Springs	RAS	559	2,657	693	905,902	551,877	1,457,779	1,620.58	No	796.36
Shire of Toodyay	RAM	4,513	1,692	634	931,849	674,469	1,606,318	206.48	No	1,063.83
Shire of Trayning	RAS	343	1,651	752	1,494,266	551,136	2,045,402	4,356.46	No	732.89
Shire of Upper Gascoyne	RTX	290	57,810	1,881	3,435,442	1,162,339	4,597,781	11,846.35	No	617.94
Shire of Victoria Plains	RAS	911	2,551	806	699,094	659,095	1,358,189	767.39	No	817.74
Shire of Wagin	RAS	1,793	1,946	782	1,096,089	588,577	1,684,666	611.32	No	752.66
Shire of Wandering	RAS	430	1,904	356	342,230	277,749	619,979	795.88	No	780.19
Shire of Waroona	RAM	4,276	832	341	1,026,500	467,877	1,494,377	240.06	No	1,372.07
Shire of West Arthur	RAS	789	2,832	855	682,045	614,870	1,296,915	864.44	No	719.15
Shire of Westonia	RAS	300	3,319	880	1,095,939	614,786	1,710,725	3,653.13	No	698.62
Shire of Wickepin[sw]	RAS	720	2,041	868	1,076,151	806,774	1,882,925	1,494.65	No	929.46
Shire of Williams	RAS	1,023	2,305	473	355,353	405,755	761,108	347.36	No	857.83
Shire of Wiluna	RTS	691	181,297	1,908	2,126,228	1,067,743	3,193,971	3,077.03	No	559.61
Shire of Wongan-Ballidu	RAS	1,268	3,365	1,321	1,550,729	965,109	2,515,838	1,222.97	No	730.59
Shire of Woodanilling	RAS	428	1,129	522	562,330	372,883	935,213	1,313.86	No	714.34
Shire of Wyalkatchem	RAS	483	1,595	725	1,406,470	535,354	1,941,824	2,911.95	No	738.42
Shire of Wyndham East Kimberley[sw]	RTL	7,337	112,066	858	2,863,395	1,572,533	4,435,928	390.27	No	1,832.79

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Shire of Yalgoo	RTX	354	27,950	1,134	1,919,628	707,892	2,627,520	5,422.68	No	624.24
Shire of Yilgarn	RAS	1,135	30,429	2,730	2,417,042	1,729,446	4,146,488	2,129.55	No	633.50
Shire of York	RAM	3,618	2,132	668	983,880	743,063	1,726,943	271.94	No	1,112.37
Town of Bassendean	UDS	16,031	10	97	385,211	253,457	638,668	24.03	Yes	2,612.96
Town of Cambridge	UDS	29,227	22	193	702,298	491,702	1,194,000	24.03	Yes	2,547.68
Town of Claremont	UDS	10,991	5	48	264,104	124,904	389,008	24.03	Yes	2,602.17
Town of Cottesloe	UDS	8,281	4	43	198,985	108,989	307,974	24.03	Yes	2,534.63
Town of East Fremantle	UDS	7,893	3	37	189,662	87,401	277,063	24.03	Yes	2,362.19
Town of Mosman Park	UDS	9,108	4	43	218,857	99,874	318,731	24.03	Yes	2,322.65
Town of Port Hedland[sw]	RTL	15,768	18,417	459	632,978	1,036,747	1,669,725	40.14	No	2,258.71
Town of Victoria Park	UDM	37,571	18	166	902,798	441,070	1,343,868	24.03	Yes	2,657.05

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.
* – Indigenous local governing body
sw – special works included in local roads totals.

Table 47 Distribution of 2022–23 actual entitlement to councils in South Australia

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Adelaide Hills Council	UFM	40,233	794	1,016	966,523	859,580	1,826,103	24.02	Yes	846.04
Adelaide Plains Council	RAL	9,655	1,048	977	1,405,040	335,262	1,740,302	145.52	No	343.15
Alexandrina Council	UFS	28,510	1,828	1,388	1,637,440	763,725	2,401,165	57.43	No	550.23
Anangu Pitjantjatjara Inc*	RTM	2,632	102,361	3,184	1,431,500	188,862	1,620,362	543.88	No	59.32
Barunga West Council	RAM	2,571	1,721	928	244,805	249,066	493,871	95.22	No	268.39
Berri Barmera Council	RAV	10,746	509	466	2,634,853	262,069	2,896,922	245.19	No	562.38
City of Burnside	UDM	45,869	27	238	1,101,917	593,807	1,695,724	24.02	Yes	2,494.99
City of Charles Sturt	UDL	121,065	56	586	2,908,364	1,516,153	4,424,517	24.02	Yes	2,587.29
City of Holdfast Bay	UDM	37,806	14	171	908,220	460,302	1,368,522	24.02	Yes	2,691.82
City of Mitcham	UDM	67,696	76	408	1,626,273	939,046	2,565,319	24.02	Yes	2,301.58
City of Mount Gambier	URS	27,421	34	229	3,540,667	495,640	4,036,307	129.12	No	2,164.37
City of Onkaparinga[sw]	UFV	175,711	520	1,522	6,862,268	3,760,239	10,622,507	39.05	No	2,470.59
City of Playford[sw]	UFL	98,120	358	893	12,477,761	2,688,367	15,166,128	127.17	No	3,010.49
City of Port Adelaide Enfield[sw]	UDV	129,539	94	697	3,111,936	1,854,099	4,966,035	24.02	Yes	2,660.11
City of Port Lincoln	URS	14,826	32	160	1,644,828	276,083	1,920,911	110.94	No	1,725.52
City of Prospect	UDS	21,925	8	87	526,707	252,672	779,379	24.02	Yes	2,904.28
City of Salisbury	UDV	144,160	167	834	7,781,523	1,962,601	9,744,124	53.98	No	2,353.24
Corporation of the City of Tea Tree Gully	UDL	100,879	95	594	2,423,433	1,379,558	3,802,991	24.02	Yes	2,322.49
City of Victor Harbor	URS	15,996	386	397	384,275	344,365	728,640	24.02	Yes	867.42
City of West Torrens	UDM	61,077	37	290	1,467,262	758,682	2,225,944	24.02	Yes	2,616.14
Clare & Gilbert Valleys Council	RAL	9,463	1,892	1,835	1,158,865	487,375	1,646,240	122.46	No	265.60
Coorong District Council[sw]	RAL	5,400	8,866	1,890	2,360,029	2,571,592	4,931,621	437.04	No	1,360.63
Copper Coast Council	RAV	15,352	795	910	2,057,949	415,095	2,473,044	134.05	No	456.15

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Corporation of the City of Campbelltown	UDM	53,084	24	255	1,275,245	662,798	1,938,043	24.02	Yes	2,599.21
Corporation of the City of Marion[sw]	UDL	94,927	56	480	2,280,446	1,355,964	3,636,410	24.02	Yes	2,824.93
Corporation of the City of Norwood Payneham & St Peters	UDM	36,930	15	160	887,175	441,357	1,328,532	24.02	Yes	2,758.48
Corporation of the City of Port Augusta	URS	13,536	1,282	411	3,066,121	339,990	3,406,111	226.52	No	827.23
Corporation of the City of Unley	UDM	38,915	14	163	934,861	458,301	1,393,162	24.02	Yes	2,811.66
Corporation of the City of Whyalla	URS	21,260	1,117	283	4,729,141	464,141	5,193,282	222.44	No	1,640.07
Corporation of the Town of Walkerville	UDS	7,990	4	35	191,945	96,343	288,288	24.02	Yes	2,752.66
District Council of Ceduna	RAM	3,401	5,490	1,716	2,069,249	549,337	2,618,586	608.42	No	320.13
District Council of Cleve	RAS	1,785	5,019	1,548	1,172,736	493,672	1,666,408	656.99	No	318.91
District Council of Coober Pedy	URS	1,775	78	439	920,339	59,028	979,367	518.50	No	134.46
District Council of Elliston	RAS	1,004	6,712	1,154	804,045	512,523	1,316,568	800.84	No	444.13
District Council of Franklin Harbour[sw]	RAS	1,309	2,793	787	1,111,795	1,336,512	2,448,307	849.35	No	1,698.24
District Council of Grant	RAL	8,646	1,903	1,569	1,787,428	422,290	2,209,718	206.73	No	269.15
District Council of Karoonda East Murray	RAS	1,095	4,419	1,299	1,321,697	425,030	1,746,727	1,207.03	No	327.20
District Council of Kimba	RAS	1,041	3,984	1,715	1,100,090	377,540	1,477,630	1,056.76	No	220.14
District Council of Lower Eyre Peninsula	RAL	5,851	4,776	1,345	660,063	525,608	1,185,671	112.81	No	390.79
District Council of Loxton Waikerie	RAV	11,780	7,990	2,306	3,933,968	912,504	4,846,472	333.95	No	395.71
District Council of Mount Remarkable	RAM	2,908	3,509	2,069	1,795,662	460,923	2,256,585	617.49	No	222.78

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
District Council of Orroroo Carrieton	RAS	839	3,322	1,628	1,061,431	318,554	1,379,985	1,265.11	No	195.67
District Council of Peterborough	RAS	1,650	3,020	1,231	1,382,635	304,370	1,687,005	837.96	No	247.25
District Council of Robe	RAS	1,496	1,093	435	35,939	135,499	171,438	24.02	Yes	311.49
District Council of Streaky Bay	RAM	2,226	6,321	1,736	1,606,110	581,423	2,187,533	721.52	No	334.92
District Council of Tumby Bay	RAM	2,756	2,678	1,081	481,358	323,960	805,318	174.66	No	299.69
District Council of Yankalilla	RSG	5,839	754	544	236,829	206,918	443,747	40.56	No	380.36
Gerard Community Council Aboriginal Corporation*	RTX	225	–	–	55,868	25,162	81,030	248.30	No	–
Kangaroo Island Council[sw]	RAM	5,108	4,423	1,402	2,104,274	1,845,305	3,949,579	411.96	No	1,316.19
Kingston District Council	RAM	2,397	3,343	711	345,268	312,718	657,986	144.04	No	439.83
Light Regional Council[sw]	RAV	15,626	1,277	1,457	928,494	1,245,869	2,174,363	59.42	No	855.09
Maralinga Tjarutja*	RTX	64	105,724	–	113,538	67,570	181,108	1,774.03	No	–
Mid Murray Council	RAL	9,160	6,271	3,383	3,671,327	818,986	4,490,313	400.80	No	242.09
District Council of Mount Barker	URM	38,975	595	806	1,054,972	795,479	1,850,451	27.07	No	986.95
Municipal Council of Roxby Downs	URS	3,853	111	40	389,333	146,390	535,723	101.05	No	3,659.75
Naracoorte Lucindale Council	RAL	8,502	4,519	1,618	2,920,014	601,034	3,521,048	343.45	No	371.47
Nipapanha Community Aboriginal Corporation*	RTX	83	–	–	35,837	25,053	60,890	431.77	No	–
Northern Areas Council	RAM	4,650	2,987	2,203	1,551,101	503,248	2,054,349	333.57	No	228.44
Outback Communities Authority	RTM	2,832	–	–	1,809,131	–	1,809,131	638.82	No	–
Port Pirie Regional Council	RAV	17,473	1,963	1,366	4,516,968	581,935	5,098,903	258.51	No	426.01
Regional Council of Goyder[sw]	RAM	4,174	6,715	3,010	2,499,216	1,007,793	3,507,009	598.76	No	334.81
Renmark Paringa Council	RAL	9,909	903	477	2,776,399	275,303	3,051,702	280.19	No	577.16
Rural City of Murray Bridge	URS	22,905	1,828	980	3,858,590	615,220	4,473,810	168.46	No	627.78
Southern Mallee District Council	RAM	2,064	5,710	1,332	1,252,993	500,870	1,753,863	607.07	No	376.03

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Tatiara District Council	RAL	6,803	6,522	1,917	3,313,131	690,025	4,003,156	487.01	No	359.95
The Barossa Council	UFS	25,449	894	984	1,331,879	602,458	1,934,337	52.34	No	612.25
The Corporation of the City of Adelaide	UCC	25,746	15	120	618,501	317,059	935,560	24.02	Yes	2,642.16
The Flinders Ranges Council	RAS	1,701	4,127	1,262	1,306,236	375,015	1,681,251	767.92	No	297.16
Town of Gawler	UFS	25,161	41	211	1,914,698	416,427	2,331,125	76.10	No	1,973.59
Wakefield Regional Council	RAL	6,807	3,522	2,687	2,132,789	660,788	2,793,577	313.32	No	245.92
Wattle Range Council	RAV	12,106	3,929	2,441	3,298,971	673,867	3,972,838	272.51	No	276.06
Wudinna District Council	RAS	1,299	5,393	1,687	1,370,089	495,940	1,866,029	1,054.73	No	293.98
Yalata Anangu Aboriginal Corporation*	RTX	255	–	64	201,087	54,402	255,489	788.58	No	850.03
Yorke Peninsula Council	RAV	11,374	6,011	3,899	1,134,686	1,015,873	2,150,559	99.76	No	260.55

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* – Indigenous local governing body

sw – special works included in local roads totals

Table 48 Distribution of 2022–23 actual entitlement to councils in Tasmania

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Break O'Day Council	RAL	6,936	3,521	548	1,500,462	1,863,782	3,364,244	216.33	No	3,401.06
Brighton Council	UFS	19,263	171	189	1,585,105	736,585	2,321,690	82.29	No	3,897.28
Burnie City Council	URS	20,441	610	349	1,801,935	1,452,488	3,254,423	88.15	No	4,161.86
Central Coast Council	URS	23,278	931	679	2,892,765	2,355,028	5,247,793	124.27	No	3,468.38
Central Highlands Council	RAM	2,580	7,976	739	1,085,236	1,734,383	2,819,619	420.63	No	2,346.93
Circular Head Council	RAL	8,335	4,891	766	1,530,915	2,368,256	3,899,171	183.67	No	3,091.72
Clarence City Council	UFM	62,396	377	490	1,446,454	2,067,888	3,514,342	23.27	Yes	4,220.18
Derwent Valley Council	RAV	11,114	4,103	298	1,508,599	991,075	2,499,674	135.74	No	3,325.76
Devonport City Council	URS	26,922	111	272	1,738,603	1,414,864	3,153,467	64.58	No	5,201.71
Dorset Council	RAL	6,991	3,223	695	1,601,663	2,218,765	3,820,428	229.10	No	3,192.47
Flinders Council	RAS	938	1,994	354	801,956	910,982	1,712,938	854.96	No	2,573.40
George Town Council	RAL	7,213	653	274	1,385,828	1,014,432	2,400,260	192.13	No	3,702.31
Glamorgan Spring Bay Council	RAM	5,118	2,587	380	154,947	1,214,014	1,368,961	30.27	No	3,194.77
Glenorchy City Council	UFM	51,233	121	329	1,154,434	1,774,284	2,928,718	23.27	Yes	5,392.96
Hobart City Council	UCC	56,084	78	303	1,324,393	1,880,980	3,205,373	23.61	No	6,207.85
Huon Valley Council	RAV	18,809	5,497	712	2,223,867	1,949,134	4,173,001	118.23	No	2,737.55
Kentish Council	RAL	6,778	1,155	471	1,611,420	1,389,078	3,000,498	237.74	No	2,949.21
King Island Council	RAS	1,654	1,094	432	886,960	1,208,496	2,095,456	536.25	No	2,797.44
Kingborough Council	UFM	40,815	719	551	942,755	1,849,829	2,792,584	23.27	Yes	3,357.22
Latrobe Council	RAV	12,705	600	288	1,263,897	928,476	2,192,373	99.48	No	3,223.88
Launceston City Council	URM	71,906	1,411	739	1,669,510	3,404,132	5,073,642	23.27	Yes	4,606.40
Meander Valley Council	RAV	21,153	3,320	826	2,448,647	2,570,673	5,019,320	115.76	No	3,112.19
Northern Midlands Council	RAV	14,030	5,126	960	1,372,496	2,832,336	4,204,832	97.83	No	2,950.35
Sorell Council	RAV	16,975	583	340	1,418,549	1,160,390	2,578,939	83.57	No	3,412.91

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Southern Midlands Council	RAL	6,838	2,611	814	1,995,914	1,952,686	3,948,600	291.89	No	2,398.88
Tasman Council	RAM	2,643	659	205	596,920	661,840	1,258,760	225.85	No	3,228.49
Waratah/Wynyard Council	RAV	14,641	3,526	539	1,932,028	1,696,396	3,628,424	131.96	No	3,147.30
West Coast Council	RAM	4,373	9,574	191	1,564,719	886,033	2,450,752	357.81	No	4,638.92
West Tamar Council	UFS	25,747	690	472	2,608,204	1,580,005	4,188,209	101.30	No	3,347.47

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* – Indigenous local governing body

Table 49 Distribution of 2022–23 actual entitlement to councils in the Northern Territory

Council Name	Classification	Population Number	Council area in sq km	Road length in km	General purpose in dollars	Local road in dollars	Total in dollars	General purpose in dollars per capita	Minimum grant (Yes or No)	Local road in dollars per km
Alice Springs Town Council	URS	26,858	327	248	658,294	1,123,560	1,781,854	24.51	No	4,530.48
Barkly Regional Council*	RTL	7,564	322,693	443	1,963,252	527,777	2,491,029	259.55	No	1,191.37
Belyuen Community Government Council*	RTX	178	42	84	26,973	38,495	65,468	151.53	No	458.27
Central Desert Regional Council*	RTL	4,310	282,090	1,769	1,198,669	1,344,172	2,542,841	278.11	No	759.85
City of Darwin	UCC	82,103	142	567	1,958,104	2,307,558	4,265,662	24.39	Yes	4,069.77
City of Palmerston	URM	40,195	56	340	1,047,547	1,230,876	2,278,423	26.06	No	3,620.22
Coomalie Community Government Council	RTM	1,375	1,512	202	32,793	602,150	634,943	24.39	Yes	2,980.94
East Arnhem Regional Council*	RTL	10,526	33,302	973	3,847,195	1,471,232	5,318,427	365.49	No	1,512.06
Katherine Town Council	URS	10,711	7,421	175	560,128	722,083	1,282,211	52.29	No	4,126.19
Local Government Association of the Northern Territory Inc	N/A	–	–	1,888	–	1,882,782	1,882,782	–	No	997.24
Litchfield Council	UFS	26,097	3,072	728	697,702	3,034,510	3,732,212	26.73	No	4,168.28
MacDonnell Regional Council*	RTL	7,139	268,784	1,564	2,305,974	1,195,843	3,501,817	323.01	No	764.61
Roper Gulf Regional Council*	RTL	7,596	185,176	942	2,277,394	1,266,999	3,544,393	299.81	No	1,345.01
Tiwi Islands Regional Council*	RTM	2,771	7,501	845	423,140	1,138,432	1,561,572	152.70	No	1,347.26
Victoria Daly Regional Council*	RTL	3,222	153,475	341	530,381	831,501	1,361,882	164.61	No	2,438.42
Wagait Shire Council*	RTS	541	6	17	17,712	64,503	82,215	32.74	No	3,794.29
West Arnhem Regional Council*	RTL	6,887	49,698	1,166	1,406,482	1,342,428	2,748,910	204.22	No	1,151.31
West Daly Regional Council*	RTL	3,818	14,100	849	710,837	1,122,614	1,833,451	186.18	No	1,322.28

Notes: a – population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* – Indigenous local governing body

Appendix E
Ranking of local governing bodies in 2022–23

In this appendix, the grant per capita is used as the basis for comparing relative need for the general purpose grant. For local road grant, the allocation of grant for each council is divided by their length of local roads to obtain a relative expenditure needs measure. In Tables Table 51 to Table 64, councils within a state are sorted on the value of the general purpose grant per capita and, separately, on the value of the local road grant per kilometre. For each council, its jurisdiction's table gives the ranking obtained for both grants.

The Australian Classification of Local Government category for each council is also provided (see Appendix F). For each state and the Northern Territory, the positions of the average general purpose grant per capita and the average local road grant per kilometre are also shown at the top of the ranking of councils.

Table 50 Key to symbols used in tables in Appendices E and F

Symbol	*Full symbol name*
RAL	Rural Agricultural Large
RAM	Rural Agricultural Medium
RAS	Rural Agricultural Small
RAV	Rural Agricultural Very Large
RSG	Rural Significant Growth
RTL	Rural Remote Large
RTM	Rural Remote Medium
RTS	Rural Remote Small
RTX	Rural Remote Extra Small
UCC	Urban Capital City
UDL	Urban Developed Large
UDM	Urban Developed Medium
UDS	Urban Developed Small
UDV	Urban Developed Very Large
UFL	Urban Fringe Large
UFM	Urban Fringe Medium
UFS	Urban Fringe Small
UFV	Urban Fringe Very Large
URL	Urban Regional Large
URM	Urban Regional Medium
URS	Urban Regional Small
URV	Urban Regional Very Large

Table 51 2022–23 New South Wales councils ranked by funding per capita – general purpose grant

The state average general purpose grant per capita for New South Wales in 2022–23 is **$79.30**.

Rank	Council name	Classification	$ per capita
1	Central Darling Shire Council	RTM	2,935.15
2	Brewarrina Shire Council	RAS	2,688.12
3	Bourke Shire Council	RAM	2,099.88
4	Carrathool Shire Council	RAM	1,708.70
5	Balranald Shire Council	RAM	1,622.90
6	Bogan Shire Council	RAM	1,454.89
7	Lachlan Council	RAL	1,193.71
8	Cobar Shire Council	RTL	1,180.02
9	Silverton Village Committee Incorporated	RTX	1,144.97
10	Hay Shire Council	RAM	1,019.33
11	Walgett Shire Council	RAL	977.73
12	Bland Shire Council	RAL	970.85
13	Tibooburra Village Committee Incorporated	RTX	947.32
14	Murrumbidgee Council	RAM	943.64
15	Coonamble Shire Council	RAM	898.27
16	Warren Shire Council	RAM	896.40
17	Lockhart Shire Council	RAM	869.54
18	Gilgandra Council	RAM	778.04
19	Lord Howe Island Board	RTX	714.33
20	Coolamon Shire Council	RAM	704.26
21	Wentworth Shire Council	RAL	699.76
22	Narrandera Shire Council	RAL	681.90
23	Gwydir Shire Council	RAL	671.30
24	Weddin Shire Council	RAM	640.42
25	Walcha Council	RAM	630.23
26	Warrumbungle Shire Council	RAL	624.49
27	Tenterfield Shire Council	RAL	616.22
28	Narromine Shire Council	RAL	567.40
29	Edward River Council	RAL	531.78
30	Murray River Council	RAV	515.29
31	Berrigan Shire Council	RAL	470.60
32	Temora Shire Council	RAL	467.61
33	Moree Plains Shire Council	RAV	466.02
34	Narrabri Shire Council	RAV	455.10
35	Forbes Shire Council	RAL	434.57
36	Federation Council	RAV	430.91
37	Upper Lachlan Shire Council	RAL	420.75
38	Oberon Council	RAL	419.33
39	Kyogle Council	RAL	403.53
40	Cootamundra-Gundagai Regional Council	RAV	399.85
41	Glen Innes Severn Council	RAL	399.60
42	Liverpool Plains Shire Council	RAL	387.54
43	Snowy Monaro Regional Council	URS	375.48
44	Leeton Shire Council	RAV	372.63
45	Snowy Valleys Council	RAV	365.66
46	Greater Hume Shire Council	RAV	365.25
47	Junee Shire Council	RAL	360.82
48	Uralla Shire Council	RAL	354.00
49	Parkes Shire Council	RAV	351.78
50	Hilltops Council	RAV	339.55
51	Council of the City of Broken Hill	URS	322.23
52	Cowra Shire Council	RAV	310.52
53	Blayney Shire Council	RAL	310.01
54	Gunnedah Shire Council	RAV	290.64
55	Inverell Shire Council	RAV	275.27
56	Upper Hunter Shire Council	RAV	272.50
57	Bellingen Shire Council	RAV	269.21
58	Cabonne Shire Council	RAV	260.33
59	Dungog Shire Council	RAL	220.37
60	Muswellbrook Shire Council	RAV	199.93
61	City of Lithgow Council	URS	197.57
62	Mid-Western Regional Council	URS	196.93
63	Richmond Valley Council	URS	180.81
64	Griffith City Council	URS	178.18
65	Bega Valley Shire Council	URM	173.45
66	Nambucca Valley Council	RAV	173.37
67	Armidale Regional Council	URM	173.18
68	Kempsey Shire Council	URS	170.72
69	Dubbo Regional Council	URM	168.50
70	Clarence Valley Council	URM	164.04
71	Eurobodalla Shire Council	URM	158.16
72	Mid-Coast Council	URL	150.11
73	Singleton Council	URS	128.27
74	Goulburn Mulwaree Council	URM	127.99
75	Yass Valley Council	RAV	123.01
76	Wagga Wagga City Council	URM	119.76
77	Lismore City Council	URM	114.81
78	Tamworth Regional Council	URM	114.22
79	Bathurst Regional Council	URM	112.10

Rank	Council name	Classification	$ per capita
80	Blue Mountains City Council	UFL	106.62
81	Albury City Council	URM	101.01
82	Cessnock City Council	URM	99.12
83	Orange City Council	URM	96.27
84	Shoalhaven City Council	URL	92.36
85	Tweed Shire Council	URL	88.40
86	Wollongong City Council	URV	82.65
87	Port Macquarie Hastings Council	URL	81.84
88	Port Stephens Council	URL	80.96
89	Ballina Shire Council	URM	80.88
90	Coffs Harbour City Council	URL	76.40
91	Lake Macquarie City Council	URV	72.34
92	Maitland City Council	URL	70.17
93	Wingecarribee Shire Council	URM	69.93
94	Central Coast Council (NSW)	UFV	69.28
95	Newcastle City Council	URV	69.13
96	Byron Shire Council	URM	68.15
97	Queanbeyan-Palerang Regional Council	URM	65.22
98	Council of the City of Shellharbour	URL	63.31
99	Kiama Municipal Council	URS	61.51
100	Campbelltown City Council	UFV	51.01
101	Wollondilly Shire Council	UFM	49.39
102	Hawkesbury City Council	UFM	43.37
103	Penrith City Council	UFV	42.30
104	Fairfield City Council	UDV	38.87
105	Blacktown City Council	UDV	37.76
106	City of Parramatta Council	UDV	30.84
107	Liverpool City Council	UDV	30.22
108	Cumberland Council	UDV	29.07
109	Mosman Municipal Council	UDM	27.29
110	Hunter's Hill Council	UDS	26.79
111	Burwood Council	UDM	25.21
112	Lane Cove Municipal Council	UDM	25.14
113	Strathfield Municipal Council	UDM	24.80
114	Bayside Council	UDV	23.79
114	Canterbury-Bankstown Council	UDV	23.79
114	City of Canada Bay Council	UDL	23.79
114	Council of the City of Ryde	UDV	23.79

Rank	Council name	Classification	$ per capita
114	Council of the Municipality of Woollahra	UDM	23.79
114	Georges River Council	UDV	23.79
114	Hornsby Shire Council	UFV	23.79
114	Inner West Council	UDV	23.79
114	Ku-Ring-Gai Council	UDV	23.79
114	North Sydney Council	UDL	23.79
114	Northern Beaches Council	UDV	23.79
114	Randwick City Council	UDV	23.79
114	Sutherland Shire Council	UDV	23.79
114	The Council of Camden	UFL	23.79
114	The Council of the City of Sydney	UCC	23.79
114	The Hills Shire Council	UFV	23.79
114	Waverley Council	UDL	23.79
114	Willoughby City Council	UDL	23.79

Table 52 2022–23 New South Wales councils ranked by funding per km – local roads grant

The state average local road grant per km for New South Wales in 2022–23 is **$1,782.75.**

Rank	*Council name*	*Classification*	*$ per km*
1	The Council of the City of Sydney	UCC	5,394.81
2	Waverley Council	UDL	4,480.74
3	Strathfield Municipal Council	UDM	4,153.06
4	Bayside Council	UDV	4,102.41
5	Randwick City Council	UDV	4,090.13
6	City of Canada Bay Council	UDL	3,923.76
7	North Sydney Council	UDL	3,919.14
8	City of Parramatta Council	UDV	3,792.93
9	Burwood Council	UDM	3,753.76
10	Inner West Council	UDV	3,736.94
11	Canterbury-Bankstown Council	UDV	3,637.26
12	Lane Cove Municipal Council	UDM	3,615.57
13	Cumberland Council	UDV	3,601.03
14	Council of the City of Ryde	UDV	3,593.09
15	Council of the Municipality of Woollahra	UDM	3,582.94
16	Georges River Council	UDV	3,567.51
17	Willoughby City Council	UDL	3,435.64
18	Coffs Harbour City Council	URL	3,263.31
19	Fairfield City Council	UDV	3,236.40
20	Northern Beaches Council	UDV	3,225.37
21	Mosman Municipal Council	UDM	3,213.85
22	Albury City Council	URM	3,168.54
23	Tweed Shire Council	URL	3,150.73
24	Hunter's Hill Council	UDS	3,077.94
25	Liverpool City Council	UDV	3,022.68
26	Ku-Ring-Gai Council	UDV	2,984.39
27	Blacktown City Council	UDV	2,979.66
28	Sutherland Shire Council	UDV	2,976.36
29	Hornsby Shire Council	UFV	2,963.23
30	Wollongong City Council	URV	2,956.49
31	Campbelltown City Council	UFV	2,939.79
32	Orange City Council	URM	2,927.99
33	Port Macquarie Hastings Council	URL	2,810.93
34	Newcastle City Council	URV	2,799.51
35	The Council of Camden	UFL	2,741.58
36	Council of the City of Broken Hill	URS	2,705.35
37	Council of the City of Shellharbour	URL	2,703.58
38	The Hills Shire Council	UFV	2,678.59
39	Penrith City Council	UFV	2,655.67
40	Kiama Municipal Council	URS	2,607.08
41	Ballina Shire Council	URM	2,603.73
42	Byron Shire Council	URM	2,556.18
43	Shoalhaven City Council	URL	2,538.06
44	Central Coast Council (NSW)	UFV	2,522.38
45	Lake Macquarie City Council	URV	2,465.76
46	Maitland City Council	URL	2,404.16
47	Cessnock City Council	URM	2,215.75
48	Port Stephens Council	URL	2,202.38
49	Hawkesbury City Council	UFM	2,182.14
50	Blue Mountains City Council	UFL	2,177.64
51	Wollondilly Shire Council	UFM	2,163.79
52	Wingecarribee Shire Council	URM	2,131.52
53	Nambucca Valley Council	RAV	2,127.64
54	Queanbeyan-Palerang Regional Council	URM	2,120.62
55	Lismore City Council	URM	2,114.93
56	Bathurst Regional Council	URM	2,096.19
57	Eurobodalla Shire Council	URM	2,074.98
58	Kempsey Shire Council	URS	2,011.31
59	Bellingen Shire Council	RAV	1,997.29
60	Mid-Coast Council	URL	1,967.58
61	Bega Valley Shire Council	URM	1,954.97
62	Singleton Council	URS	1,949.96
63	Clarence Valley Council	URM	1,885.01
64	Muswellbrook Shire Council	RAV	1,880.86
65	Goulburn Mulwaree Council	URM	1,878.75
66	Richmond Valley Council	URS	1,877.76
67	Wagga Wagga City Council	URM	1,836.62
68	Dungog Shire Council	RAL	1,821.65

Rank	Council name	Classification	$ per km
69	Kyogle Council	RAL	1,776.57
70	Tamworth Regional Council	URM	1,708.02
71	City of Lithgow Council	URS	1,697.14
72	Dubbo Regional Council	URM	1,609.35
73	Snowy Valleys Council	RAV	1,603.68
74	Armidale Regional Council	URM	1,596.74
75	Griffith City Council	URS	1,569.64
76	Yass Valley Council	RAV	1,539.74
77	Mid-Western Regional Council	URS	1,516.44
78	Glen Innes Severn Council	RAL	1,500.91
79	Blayney Shire Council	RAL	1,494.26
80	Cootamundra-Gundagai Regional Council	RAV	1,470.27
81	Upper Hunter Shire Council	RAV	1,468.24
82	Cowra Shire Council	RAV	1,442.71
83	Cabonne Shire Council	RAV	1,429.10
84	Uralla Shire Council	RAL	1,421.40
85	Leeton Shire Council	RAV	1,416.26
86	Snowy Monaro Regional Council	URS	1,414.95
87	Inverell Shire Council	RAV	1,407.55
88	Gunnedah Shire Council	RAV	1,399.82
89	Greater Hume Shire Council	RAV	1,393.46
90	Murray River Council	RAV	1,385.01
91	Hilltops Council	RAV	1,377.48
92	Upper Lachlan Shire Council	RAL	1,374.67
93	Liverpool Plains Shire Council	RAL	1,371.07
94	Walcha Council	RAM	1,369.19
95	Tenterfield Shire Council	RAL	1,361.39
96	Junee Shire Council	RAL	1,345.56
97	Forbes Shire Council	RAL	1,327.44
98	Moree Plains Shire Council	RAV	1,321.68
99	Lockhart Shire Council	RAM	1,316.50
100	Oberon Council	RAL	1,316.20
101	Federation Council	RAV	1,313.22
102	Parkes Shire Council	RAV	1,309.99

Rank	Council name	Classification	$ per km
103	Narrabri Shire Council	RAV	1,308.78
104	Berrigan Shire Council	RAL	1,305.95
105	Edward River Council	RAL	1,301.58
106	Gilgandra Council	RAM	1,293.50
107	Warren Shire Council	RAM	1,286.58
108	Walgett Shire Council	RAL	1,285.85
109	Warrumbungle Shire Council	RAL	1,284.52
110	Gwydir Shire Council	RAL	1,280.09
111	Narrandera Shire Council	RAL	1,276.48
112	Temora Shire Council	RAL	1,267.43
113	Coonamble Shire Council	RAM	1,262.53
114	Weddin Shire Council	RAM	1,261.71
115	Narromine Shire Council	RAL	1,257.67
116	Bogan Shire Council	RAM	1,256.89
117	Wentworth Shire Council	RAL	1,255.26
118	Hay Shire Council	RAM	1,241.15
119	Murrumbidgee Council	RAM	1,225.72
120	Brewarrina Shire Council	RAS	1,225.23
121	Coolamon Shire Council	RAM	1,224.43
122	Carrathool Shire Council	RAM	1,221.63
123	Bourke Shire Council	RAM	1,219.32
124	Cobar Shire Council	RTL	1,212.59
125	Lachlan Council	RAL	1,208.94
126	Bland Shire Council	RAL	1,206.44
127	Balranald Shire Council	RAM	1,190.39
128	Central Darling Shire Council	RTM	1,186.75
129	Lord Howe Island Board	RTX	–
129	Silverton Village Committee Incorporated	RTX	–
129	Tibooburra Village Committee Incorporated	RTX	–

Table 53 2022–23 Victorian councils ranked by funding per capita – general purpose grant

The state average general purpose grant per capita for Victoria in 2022–23 is **$78.95**.

Rank	Council name	Classification	$ per capita
1	West Wimmera Shire Council	RAM	1,092.82
2	Loddon Shire Council	RAL	814.68
3	Buloke Shire Council	RAL	767.31
4	Yarriambiack Shire Council	RAL	615.69
5	Hindmarsh Shire Council	RAL	598.18
6	Shire of Towong	RAL	580.28
7	Pyrenees Shire Council	RAL	514.46
8	Northern Grampians Shire Council	RAV	493.80
9	Gannawarra Shire Council	RAV	402.55
10	Ararat Rural City Council	RAV	363.36
11	Shire of Strathbogie	RAV	343.34
12	Corangamite Shire Council	RAV	328.84
13	Southern Grampians Shire Council	RAV	328.67
14	Shire of Moyne	RAV	310.14
15	Glenelg Shire Council	RAV	310.11
16	Moira Shire Council	URS	276.75
17	East Gippsland Shire Council	URM	274.94
18	Swan Hill Rural City Council	URS	267.11
19	Mansfield Shire Council	RAL	254.71
20	Hepburn Shire Council	RAV	248.81
21	Central Goldfields Shire Council	RAV	248.50
22	Campaspe Shire Council	URM	243.81
23	Horsham Rural City Council	RAV	242.27
24	Murrindindi Shire Council	RAV	238.49
25	South Gippsland Shire Council	URS	238.26
26	Wellington Shire Council	URM	237.03
27	Alpine Shire	RAV	234.92
28	Mildura Rural City Council	URM	234.84
29	Colac Otway Shire	URS	227.74
30	Benalla Rural City Council	RAV	224.53
31	Indigo Shire Council	RAV	223.56
32	Mount Alexander Shire Council	RAV	200.11
33	Wangaratta Rural City Council	URS	195.85
34	Golden Plains Shire Council	UFS	184.59
35	Borough of Queenscliffe	UFS	181.54
36	Greater Shepparton City Council	URM	175.79
37	Latrobe City Council	URL	154.92
38	Bass Coast Shire Council	UFM	154.37

Rank	Council name	Classification	$ per capita
39	Moorabool Shire Council	URM	149.25
40	Mitchell Shire Council	URM	147.19
41	Baw Baw Shire Council	URM	140.49
42	Greater Bendigo City Council	URL	133.80
43	Wodonga City Council	URM	129.26
44	Macedon Ranges Shire Council	URM	122.32
45	Warrnambool City Council	URM	119.70
46	Ballarat City Council	URL	119.11
47	Melton City Council	UFV	101.71
48	Surf Coast Shire	UFM	95.13
49	Cardinia Shire Council	UFL	90.96
50	City of Greater Geelong	URV	80.46
51	Yarra Ranges Shire Council	UFV	78.64
52	City of Greater Dandenong	UDV	67.06
53	Brimbank City Council	UDV	66.16
54	Wyndham City Council	UFV	66.03
55	Hume City Council	UFV	65.32
56	City of Whittlesea	UFV	60.25
57	Frankston City Council	UDV	57.73
58	Casey City Council	UDV	57.30
59	City of Knox	UDV	43.15
60	Maroondah City Council	UDL	37.00
61	Nillumbik Shire Council	UFM	32.15
62	City of Maribyrnong	UDL	25.37
63	Banyule City Council	UDV	23.68
63	Bayside City Council	UDL	23.68
63	City of Boroondara	UDV	23.68
63	City of Darebin	UDV	23.68
63	City of Glen Eira	UDV	23.68
63	City of Port Phillip	UDL	23.68
63	Hobsons Bay City Council	UDL	23.68
63	Kingston City Council	UDV	23.68
63	Manningham City Council	UDV	23.68
63	Melbourne City Council (City of Melbourne)	UCC	23.68
63	Merri-bek City Council	UDV	23.68
63	Monash City Council	UDV	23.68
63	Moonee Valley City Council	UDV	23.68
63	Mornington Peninsula Shire Council	UFV	23.68
63	Stonnington City Council	UDL	23.68
63	Whitehorse City Council	UDV	23.68
63	Yarra City Council	UDL	23.68

Table 54 2022–23 Victorian councils ranked by funding per km – local roads grant

The state average local road grant per km for Victoria in 2022–23 is **$1,405.57.**

Rank	Council name	Classification	$ per km
1	Melbourne City Council (City of Melbourne)	UCC	3,484.02
2	City of Greater Dandenong	UDV	2,646.41
3	City of Port Phillip	UDL	2,331.63
4	Brimbank City Council	UDV	2,279.42
5	City of Maribyrnong	UDL	2,276.44
6	Hume City Council	UFV	2,269.02
7	Warrnambool City Council	URM	2,237.52
8	Yarra City Council	UDL	2,194.28
9	Yarra Ranges Shire Council	UFV	2,189.08
10	Melton City Council	UFV	2,171.36
11	Merri-bek City Council	UDV	2,104.15
12	South Gippsland Shire Council	URS	2,086.52
13	Hobsons Bay City Council	UDL	2,069.02
14	Kingston City Council	UDV	2,061.58
15	Stonnington City Council	UDL	2,058.75
16	Banyule City Council	UDV	2,039.00
17	City of Whittlesea	UFV	2,038.49
18	City of Darebin	UDV	2,033.92
19	Moonee Valley City Council	UDV	2,009.44
20	Ballarat City Council	URL	2,007.72
21	Monash City Council	UDV	1,973.10
22	Cardinia Shire Council	UFL	1,952.82
23	Maroondah City Council	UDL	1,935.41
24	Whitehorse City Council	UDV	1,929.33
25	City of Boroondara	UDV	1,909.62
26	Colac Otway Shire	URS	1,895.59
27	Wellington Shire Council	URM	1,880.45
28	City of Knox	UDV	1,875.86
29	East Gippsland Shire Council	URM	1,858.22
30	Latrobe City Council	URL	1,850.10
31	Wodonga City Council	URM	1,846.55
32	Frankston City Council	UDV	1,840.05
33	Alpine Shire	RAV	1,838.91
34	Wyndham City Council	UFV	1,838.58
35	Shire of Moyne	RAV	1,788.45
36	Bass Coast Shire Council	UFM	1,786.84
37	City of Greater Geelong	URV	1,784.41
38	Casey City Council	UDV	1,783.77
39	Shire of Towong	RAL	1,776.21
40	Nillumbik Shire Council	UFM	1,746.41
41	Corangamite Shire Council	RAV	1,739.02
42	Mornington Peninsula Shire Council	UFV	1,706.98
43	Surf Coast Shire	UFM	1,703.85
44	Bayside City Council	UDL	1,691.37
45	Baw Baw Shire Council	URM	1,655.71
46	Manningham City Council	UDV	1,633.67
47	Murrindindi Shire Council	RAV	1,619.45
48	Borough of Queenscliffe	UFS	1,598.67
49	City of Glen Eira	UDV	1,574.70
50	Macedon Ranges Shire Council	URM	1,565.61
51	Glenelg Shire Council	RAV	1,549.07
52	Mitchell Shire Council	URM	1,535.26
53	Moorabool Shire Council	URM	1,512.97
54	Mount Alexander Shire Council	RAV	1,463.85
55	Greater Shepparton City Council	URM	1,456.77
56	Golden Plains Shire Council	UFS	1,455.36
57	Wangaratta Rural City Council	URS	1,440.77
58	Mansfield Shire Council	RAL	1,309.60
59	Greater Bendigo City Council	URL	1,308.67
60	Benalla Rural City Council	RAV	1,293.13
61	Indigo Shire Council	RAV	1,267.88
62	Moira Shire Council	URS	1,255.93
63	Hepburn Shire Council	RAV	1,255.23
64	Pyrenees Shire Council	RAL	1,233.63
65	Southern Grampians Shire Council	RAV	1,212.19
66	Campaspe Shire Council	URM	1,189.78
67	Shire of Strathbogie	RAV	1,175.10
68	Central Goldfields Shire Council	RAV	1,121.82
69	Ararat Rural City Council	RAV	1,104.98
70	Gannawarra Shire Council	RAV	1,047.13
71	Northern Grampians Shire Council	RAV	1,026.40
72	West Wimmera Shire Council	RAM	975.84
73	Mildura Rural City Council	URM	935.03
74	Loddon Shire Council	RAL	913.81
75	Horsham Rural City Council	RAV	868.20
76	Swan Hill Rural City Council	URS	772.68
77	Hindmarsh Shire Council	RAL	588.78
78	Buloke Shire Council	RAL	545.22
79	Yarriambiack Shire Council	RAL	505.68

Table 55 2022–23 Queensland councils ranked by funding per capita – general purpose grant

The state average general purpose grant per capita for Queensland in 2022–23 is **$79.47.**

Rank	*Council name*	*Classification*	*$ per capita*
1	Bulloo Shire Council	RTX	21,189.75
2	Croydon Shire Council	RTX	15,402.82
3	Barcoo Shire Council	RTX	15,104.22
4	Diamantina Shire Council	RTX	13,821.66
5	Burke Shire Council	RTX	11,743.87
6	Boulia Shire Council	RTS	9,294.63
7	Etheridge Shire Council	RTS	6,849.01
8	Quilpie Shire Council	RTS	6,698.72
9	Mckinlay Shire Council	RTS	6,428.68
10	Mapoon Aboriginal Shire Council	RTX	6,426.05
11	Wujal Wujal Aboriginal Shire Council	RTX	5,319.79
12	Richmond Shire Council	RTS	4,913.48
13	Flinders Shire Council	RTM	4,589.99
14	Winton Shire Council	RTM	4,461.89
15	Paroo Shire Council	RTM	3,612.09
16	Lockhart River Aboriginal Shire Council	RTS	3,430.33
17	Pormpuraaw Aboriginal Shire Council	RTS	2,977.67
18	Carpentaria Shire Council	RTM	2,970.90
19	Mornington Shire Council	RTM	2,667.61
20	Torres Strait Island Regional Council	RTL	2,626.68
21	Barcaldine Regional Council	RTM	2,573.51
22	Kowanyama Aboriginal Shire Council	RTS	2,483.26
23	Blackall-Tambo Regional Council	RTM	2,448.02
24	Longreach Regional Council	RTL	2,318.75
25	Napranum Aboriginal Shire Council	RTM	2,160.26
26	Cook Shire Council	RTL	2,152.64
27	Aurukun Shire Council	RTM	2,148.59
28	Hope Vale Aboriginal Shire Council	RTM	2,033.76
29	Cloncurry Shire Council	RTL	1,994.59
30	Woorabinda Aboriginal Shire Council	RTM	1,799.81
31	Doomadgee Aboriginal Shire Council	RTM	1,668.70
32	Northern Peninsula Area Regional Council	RTL	1,577.22
33	Murweh Shire Council	RTL	1,568.30
34	Balonne Shire Council	RAM	1,413.57
35	Torres Shire Council	RTL	1,371.83
36	Cherbourg Aboriginal Shire Council	RTM	1,158.92
37	Palm Island Aboriginal Shire Council	RTM	1,142.73
38	Maranoa Regional Council	RAV	964.80
39	North Burnett Regional Council	RAV	792.69
40	Yarrabah Aboriginal Shire Council	RTM	706.87
41	Goondiwindi Regional Council	RAV	469.29
42	Charters Towers Regional Council	RAV	447.12
43	Banana Shire Council	RAV	433.92
44	Mount Isa City Council	RTL	344.00
45	Mareeba Shire Council	URS	289.02
46	Western Downs Regional Council	URM	274.69
47	Hinchinbrook Shire Council	RAV	256.09
48	Burdekin Shire Council	RAV	244.29
49	Isaac Regional Council	URS	233.22
50	Central Highlands Regional Council	URS	221.75
51	Douglas Shire Council	RAV	184.12
52	Tablelands Regional Council	URS	162.70
53	South Burnett Regional Council	URM	128.53
54	Whitsunday Regional Council	URM	111.52
55	Cassowary Coast Regional Council	URS	106.08
56	Southern Downs Regional Council	URM	103.31
57	Gladstone Regional Council	URM	84.77
58	Somerset Regional Council	UFS	75.21
59	Livingstone Shire Council	UFM	69.86
60	Lockyer Valley Regional Council	URM	69.26
61	Rockhampton Regional Council	URL	67.57
62	Gympie Regional Council	URM	66.33
63	Bundaberg Regional Council	URL	53.64
64	Fraser Coast Regional Council	URL	44.87
65	Toowoomba Regional Council	URV	43.16
66	Scenic Rim Regional Council	UFM	40.95
67	Mackay Regional Council	URL	27.57
68	Brisbane City Council	UCC	23.84
68	Cairns Regional Council	URV	23.84
68	Gold Coast City Council	URV	23.84
68	Ipswich City Council	URV	23.84
68	Logan City Council	URV	23.84
68	Moreton Bay Regional Council	URV	23.84
68	Noosa Shire Council	URM	23.84
68	Redland City Council	URV	23.84
68	Sunshine Coast Regional Council	URV	23.84
68	Townsville City Council	URV	23.84

Table 56 2022–23 Queensland councils ranked by funding per km – local roads grant

The state average local road grant per km for Queensland in 2022–23 is **$1,132.29.**

Rank	Council name	Classification	$ per km
1	Brisbane City Council	UCC	2,721.06
2	Gold Coast City Council	URV	2,372.11
3	Lockyer Valley Regional Council	URM	1,960.44
4	Logan City Council	URV	1,916.95
5	Moreton Bay Regional Council	URV	1,739.83
6	Redland City Council	URV	1,688.49
7	Cairns Regional Council	URV	1,589.17
8	Douglas Shire Council	RAV	1,546.28
9	Ipswich City Council	URV	1,531.88
10	Townsville City Council	URV	1,497.33
11	Sunshine Coast Regional Council	URV	1,491.29
12	Cassowary Coast Regional Council	URS	1,449.92
13	Gladstone Regional Council	URM	1,417.84
14	Scenic Rim Regional Council	UFM	1,317.60
15	Gympie Regional Council	URM	1,316.15
16	Livingstone Shire Council	UFM	1,282.86
17	Torres Strait Island Regional Council	RTL	1,277.68
18	Torres Shire Council	RTL	1,259.85
19	Tablelands Regional Council	URS	1,223.13
20	Hinchinbrook Shire Council	RAV	1,223.08
21	Palm Island Aboriginal Shire Council	RTM	1,204.33
22	Somerset Regional Council	UFS	1,190.59
23	Burke Shire Council	RTX	1,187.84
24	Burdekin Shire Council	RAV	1,154.95
25	Whitsunday Regional Council	URM	1,126.97
26	Yarrabah Aboriginal Shire Council	RTM	1,092.27
27	Noosa Shire Council	URM	1,084.53
28	Southern Downs Regional Council	URM	1,066.05
29	South Burnett Regional Council	URM	1,009.24
30	Banana Shire Council	RAV	977.75
31	Mount Isa City Council	RTL	973.19
32	Mackay Regional Council	URL	970.62
33	Mareeba Shire Council	URS	953.75
34	Mckinlay Shire Council	RTS	951.48
35	Richmond Shire Council	RTS	950.71
36	Central Highlands Regional Council	URS	945.71
37	Balonne Shire Council	RAM	938.97
38	Charters Towers Regional Council	RAV	933.16
39	Cook Shire Council	RTL	932.11
40	Murweh Shire Council	RTL	927.32
41	Western Downs Regional Council	URM	926.90
42	Cloncurry Shire Council	RTL	922.07
43	Maranoa Regional Council	RAV	921.50
44	Goondiwindi Regional Council	RAV	920.55
45	Isaac Regional Council	URS	917.91
46	Croydon Shire Council	RTX	907.22
47	Flinders Shire Council	RTM	904.87
48	North Burnett Regional Council	RAV	893.72
49	Winton Shire Council	RTM	893.52
50	Fraser Coast Regional Council	URL	874.74
51	Barcaldine Regional Council	RTM	868.70
52	Blackall-Tambo Regional Council	RTM	863.93
53	Longreach Regional Council	RTL	846.41
54	Cherbourg Aboriginal Shire Council	RTM	844.83
55	Rockhampton Regional Council	URL	841.36
56	Woorabinda Aboriginal Shire Council	RTM	840.61
57	Carpentaria Shire Council	RTM	838.64
58	Wujal Wujal Aboriginal Shire Council	RTX	835.56
59	Etheridge Shire Council	RTS	830.14
60	Paroo Shire Council	RTM	819.93
61	Doomadgee Aboriginal Shire Council	RTM	803.99
62	Bundaberg Regional Council	URL	799.15
63	Boulia Shire Council	RTS	778.94
64	Bulloo Shire Council	RTX	770.37
65	Northern Peninsula Area Regional Council	RTL	766.74
66	Hope Vale Aboriginal Shire Council	RTM	764.77
67	Quilpie Shire Council	RTS	761.53
68	Barcoo Shire Council	RTX	758.32
69	Mornington Shire Council	RTM	758.07
70	Napranum Aboriginal Shire Council	RTM	746.65
71	Mapoon Aboriginal Shire Council	RTX	740.17
72	Toowoomba Regional Council	URV	738.53
73	Aurukun Shire Council	RTM	738.38
74	Pormpuraaw Aboriginal Shire Council	RTS	734.36
75	Lockhart River Aboriginal Shire Council	RTS	732.76
76	Kowanyama Aboriginal Shire Council	RTS	719.81
77	Diamantina Shire Council	RTX	696.84

Table 57 2022–23 Western Australian councils ranked by funding per capita – general purpose grant

The state average general purpose grant per capita for Western Australia in 2022–23 is **$80.10.**

Rank	Council name	Classification	$ per capita
1	Shire of Sandstone	RTX	22,578.55
2	Shire of Murchison	RTX	20,353.41
3	Shire of Cue	RTX	12,151.28
4	Shire of Upper Gascoyne	RTX	11,846.35
5	Shire of Yalgoo	RTX	5,422.68
6	Shire of Nungarin	RAS	4,455.42
7	Shire of Trayning	RAS	4,356.46
8	Shire of Mount Magnet	RTS	3,815.98
9	Shire of Westonia	RAS	3,653.13
10	Shire of Koorda	RAS	3,559.28
11	Shire of Mount Marshall	RAS	3,498.66
12	Shire of Wiluna	RTS	3,077.03
13	Shire of Menzies	RTS	3,062.42
14	Shire of Wyalkatchem	RAS	2,911.95
15	Shire of Meekatharra	RTM	2,837.68
16	Shire of Perenjori	RAS	2,777.92
17	Shire of Kent	RAS	2,427.70
18	Shire of Mukinbudin	RAS	2,244.53
19	Shire of Tammin	RAS	2,223.69
20	Shire of Carnamah	RAS	2,136.25
21	Shire of Yilgarn	RAS	2,129.55
22	Shire of Kulin	RAS	2,082.28
23	Shire of Morawa	RAS	2,023.36
24	Shire of Kondinin	RAS	2,011.27
25	Shire of Ngaanyatjarraku	RTM	1,986.74
26	Shire of Bruce Rock	RAS	1,901.72
27	Shire of Dumbleyung	RAS	1,867.52
28	Shire of Narembeen	RAS	1,702.03
29	Shire of Coorow	RAS	1,683.80
30	Shire of Dundas	RTS	1,667.69
31	Shire of Shark Bay	RTS	1,644.85
32	Shire of Three Springs	RAS	1,620.58
33	Shire of Dalwallinu	RAS	1,548.19
34	Shire of Lake Grace	RAS	1,507.42
35	Shire of Wickepin	RAS	1,494.65
36	Shire of Dowerin	RAS	1,486.07
37	Shire of Kellerberrin	RAS	1,463.65
38	Shire of Laverton	RTM	1,448.79
39	Shire of Quairading	RAS	1,414.95
40	Shire of Woodanilling	RAS	1,313.86
41	Shire of Corrigin	RAS	1,236.25
42	Shire of Wongan-Ballidu	RAS	1,222.97
43	Shire of Broomehill-Tambellup	RAS	1,064.74
44	Shire of Cranbrook	RAS	1,027.86
45	Shire of Halls Creek	RTL	1,024.21
46	Shire of Mingenew	RAS	976.46
47	Shire of Pingelly	RAS	950.51
48	Shire of Brookton	RAS	919.15
49	Shire of Gnowangerup	RAS	875.38
50	Shire of West Arthur	RAS	864.44
51	Shire of Ravensthorpe	RAS	856.53
52	Shire of Carnarvon	RAL	807.26
53	Shire of Wandering	RAS	795.88
54	Shire of Jerramungup	RAS	773.29
55	Shire of Victoria Plains	RAS	767.39
56	Shire of Cunderdin	RAS	753.76
57	Shire of Nannup	RAS	678.45
58	Shire of Cuballing	RAS	673.80
59	Shire of Derby West Kimberley	RTL	638.88
60	Shire of Wagin	RAS	611.32
61	Shire of Goomalling	RAS	557.35
62	Shire of Merredin	RAM	544.44
63	Shire of Northampton	RAM	525.10
64	Shire of Boyup Brook	RAS	518.55
65	Shire of Exmouth	RTM	479.57
66	Shire of Moora	RAM	473.08
67	Shire of Katanning	RAM	458.17
68	Shire of Kojonup	RAS	449.96
69	Shire of Beverley	RAS	442.94
70	Shire of Wyndham East Kimberley	RTL	390.27
71	Shire of Chapman Valley	RAS	381.01
72	Shire of Williams	RAS	347.36
73	Shire of Narrogin	RAL	339.49
74	Shire of Leonora	RTM	330.95
75	Shire of Manjimup	RAL	320.09
76	Shire of East Pilbara	RTL	284.49
77	Shire of Dandaragan	RAM	272.89
78	Shire of York	RAM	271.94
79	Shire of Plantagenet	RAL	253.71
80	Shire of Esperance	RAV	252.44
81	Shire of Waroona	RAM	240.06

Rank	Council name	Classification	$ per capita
82	Shire of Northam	RAV	230.53
83	Shire of Bridgetown Greenbushes	RAM	227.42
84	Shire of Donnybrook Balingup	RAL	217.55
85	Shire of Toodyay	RAM	206.48
86	Shire of Gingin	RAL	194.79
87	Shire of Coolgardie	RTL	191.00
88	Shire of Chittering	RAL	186.39
89	Shire of Ashburton	RTL	177.96
90	Shire of Collie	RAL	160.60
91	City of Greater Geraldton	URM	121.89
92	Shire of Broome	RTL	107.95
93	Shire of Irwin	RAM	102.78
94	Shire of Harvey	URS	91.08
95	Shire of Capel	URS	90.55
96	Shire of Denmark	RAL	86.48
97	City of Albany	URM	83.90
98	Shire of Dardanup	RAV	63.81
99	Shire of Murray	RAV	59.59
100	City of Kalgoorlie-Boulder	URM	59.44
101	City of Karratha	URS	57.06
102	Shire of Serpentine Jarrahdale	UFS	45.14
103	Shire of Boddington	RAS	43.80
104	Shire of Mundaring	UFM	42.85
105	Town of Port Hedland	RTL	40.14
106	Shire of Augusta Margaret River	RSG	34.50
107	City of Armadale	UFM	24.93
108	City of Bayswater	UDM	24.03
108	City of Belmont	UDM	24.03
108	City of Bunbury	URM	24.03
108	City of Busselton	URM	24.03
108	City of Canning	UDL	24.03
108	City of Cockburn	UDL	24.03
108	City of Fremantle	UDM	24.03
108	City of Gosnells	UDV	24.03
108	City of Joondalup	UDV	24.03
108	City of Kalamunda	UFM	24.03
108	City of Kwinana	UFM	24.03
108	City of Mandurah	UFL	24.03
108	City of Melville	UDL	24.03

Rank	Council name	Classification	$ per capita
108	City of Nedlands	UDS	24.03
108	City of Perth	UCC	24.03
108	City of Rockingham	UFV	24.03
108	City of South Perth	UDM	24.03
108	City of Stirling	UDV	24.03
108	City of Subiaco	UDS	24.03
108	City of Swan	UFV	24.03
108	City of Vincent	UDS	24.03
108	City of Wanneroo	UFV	24.03
108	Shire of Peppermint Grove	UDS	24.03
108	Town of Bassendean	UDS	24.03
108	Town of Cambridge	UDS	24.03
108	Town of Claremont	UDS	24.03
108	Town of Cottesloe	UDS	24.03
108	Town of East Fremantle	UDS	24.03
108	Town of Mosman Park	UDS	24.03
108	Town of Victoria Park	UDM	24.03

Table 58 2022–23 Western Australian councils ranked by funding per km – local roads grant

The state average local road grant per km for Western Australia in 2022–23 is **$1,088.96.**

Rank	Council name	Classification	$ per km
1	Shire of Murray	RAV	4,073.17
2	City of Perth	UCC	4,021.53
3	City of Bunbury	URM	3,221.74
4	City of Vincent	UDS	2,971.84
5	City of Subiaco	UDS	2,923.30
6	City of Belmont	UDM	2,863.87
7	City of Cockburn	UDL	2,775.71
8	City of Canning	UDL	2,718.67
9	City of Bayswater	UDM	2,699.71
10	Shire of Peppermint Grove	UDS	2,661.44
11	Town of Victoria Park	UDM	2,657.05
12	City of Fremantle	UDM	2,622.68
13	Town of Bassendean	UDS	2,612.96
14	Town of Claremont	UDS	2,602.17
15	City of Nedlands	UDS	2,550.17
16	City of Joondalup	UDV	2,549.18
17	Town of Cambridge	UDS	2,547.68
18	City of Gosnells	UDV	2,542.23
19	Town of Cottesloe	UDS	2,534.63
20	City of South Perth	UDM	2,517.38
21	City of Stirling	UDV	2,495.66
22	City of Melville	UDL	2,487.83
23	City of Swan	UFV	2,483.94
24	Town of East Fremantle	UDS	2,362.19
25	City of Wanneroo	UFV	2,349.78
26	Town of Mosman Park	UDS	2,322.65
27	City of Rockingham	UFV	2,291.56
28	Town of Port Hedland	RTL	2,258.71
29	City of Mandurah	UFL	2,254.59
30	City of Armadale	UFM	2,236.94
31	City of Kalamunda	UFM	2,213.10
32	City of Karratha	URS	2,182.57
33	City of Kwinana	UFM	2,179.24
34	Shire of Exmouth	RTM	2,077.35
35	Shire of Serpentine Jarrahdale	UFS	2,068.87
36	Shire of Mingenew	RAS	2,041.74
37	Shire of Northam	RAV	1,927.71
38	Shire of Broome	RTL	1,871.08
39	Shire of Mundaring	UFM	1,849.54
40	Shire of Wyndham East Kimberley	RTL	1,832.79
41	Shire of Harvey	URS	1,693.24
42	Shire of Chittering	RAL	1,688.21
43	Shire of Gingin	RAL	1,584.25
44	City of Busselton	URM	1,566.12
45	City of Kalgoorlie-Boulder	URM	1,532.22
46	Shire of Capel	URS	1,496.21
47	Shire of Collie	RAL	1,482.56
48	Shire of Dardanup	RAV	1,455.08
49	Shire of Ravensthorpe	RAS	1,385.81
50	Shire of Waroona	RAM	1,372.07
51	City of Albany	URM	1,371.22
52	Shire of Augusta Margaret River	RSG	1,336.42
53	Shire of Ngaanyatjarraku	RTM	1,280.41
54	Shire of Manjimup	RAL	1,256.87
55	Shire of Goomalling	RAS	1,173.66
56	Shire of Nannup	RAS	1,170.84
57	Shire of Donnybrook Balingup	RAL	1,168.09
58	Shire of Bridgetown Greenbushes	RAM	1,159.62
59	City of Greater Geraldton	URM	1,148.74
60	Shire of York	RAM	1,112.37
61	Shire of Toodyay	RAM	1,063.83
62	Shire of Carnarvon	RAL	1,055.12
63	Shire of East Pilbara	RTL	979.61
64	Shire of Bruce Rock	RAS	965.37
65	Shire of Halls Creek	RTL	948.82
66	Shire of Shark Bay	RTS	941.97
67	Shire of Moora	RAM	933.71
68	Shire of Boddington	RAS	931.15
69	Shire of Wickepin	RAS	929.46
70	Shire of Dandaragan	RAM	923.28
71	Shire of Denmark	RAL	920.98
72	Shire of Derby West Kimberley	RTL	915.91
73	Shire of Chapman Valley	RAS	911.97
74	Shire of Irwin	RAM	890.76
75	Shire of Narrogin	RAL	876.49
76	Shire of Katanning	RAM	859.89
77	Shire of Williams	RAS	857.83
78	Shire of Carnamah	RAS	830.88
79	Shire of Esperance	RAV	825.82
80	Shire of Victoria Plains	RAS	817.74
81	Shire of Beverley	RAS	808.41

Rank	Council name	Classification	$ per km
82	Shire of Cue	RTX	806.60
83	Shire of Plantagenet	RAL	804.23
84	Shire of Northampton	RAM	799.86
85	Shire of Three Springs	RAS	796.36
86	Shire of Broomehill-Tambellup	RAS	788.60
87	Shire of Quairading	RAS	784.60
88	Shire of Boyup Brook	RAS	783.72
89	Shire of Cunderdin	RAS	781.08
90	Shire of Wandering	RAS	780.19
91	Shire of Brookton	RAS	778.36
92	Shire of Pingelly	RAS	771.96
93	Shire of Merredin	RAM	771.08
94	Shire of Corrigin	RAS	764.37
95	Shire of Coorow	RAS	760.51
96	Shire of Cranbrook	RAS	752.78
97	Shire of Wagin	RAS	752.66
98	Shire of Gnowangerup	RAS	752.63
99	Shire of Dumbleyung	RAS	741.75
100	Shire of Wyalkatchem	RAS	738.42
101	Shire of Nungarin	RAS	734.30
102	Shire of Trayning	RAS	732.89
103	Shire of Dundas	RTS	732.81
104	Shire of Wongan-Ballidu	RAS	730.59
105	Shire of Kellerberrin	RAS	728.57
106	Shire of Kojonup	RAS	727.05
107	Shire of Coolgardie	RTL	724.46
108	Shire of Kulin	RAS	723.48
109	Shire of Cuballing	RAS	719.46
110	Shire of West Arthur	RAS	719.15
111	Shire of Perenjori	RAS	718.72
112	Shire of Dalwallinu	RAS	717.03
113	Shire of Koorda	RAS	715.31
114	Shire of Woodanilling	RAS	714.34
115	Shire of Mukinbudin	RAS	709.95
116	Shire of Morawa	RAS	707.05
117	Shire of Jerramungup	RAS	706.19
118	Shire of Kondinin	RAS	704.25
119	Shire of Dowerin	RAS	701.98
120	Shire of Tammin	RAS	699.26
121	Shire of Meekatharra	RTM	698.99
122	Shire of Westonia	RAS	698.62

Rank	Council name	Classification	$ per km
123	Shire of Narembeen	RAS	686.97
124	Shire of Mount Magnet	RTS	683.43
125	Shire of Lake Grace	RAS	671.70
126	Shire of Kent	RAS	656.79
127	Shire of Menzies	RTS	651.94
128	Shire of Ashburton	RTL	647.29
129	Shire of Leonora	RTM	643.73
130	Shire of Murchison	RTX	636.93
131	Shire of Yilgarn	RAS	633.50
132	Shire of Yalgoo	RTX	624.24
133	Shire of Mount Marshall	RAS	621.74
134	Shire of Upper Gascoyne	RTX	617.94
135	Shire of Sandstone	RTX	613.44
136	Shire of Wiluna	RTS	559.61
137	Shire of Laverton	RTM	298.92

Table 59 2022–23 South Australian councils ranked by funding per capita – general purpose grant

The state average general purpose grant per capita for South Australia in 2022–23 is **$80.08**.

Rank	Council name	Classification	$ per capita
1	Maralinga Tjarutja	RTX	1,774.03
2	District Council of Orroroo Carrieton	RAS	1,265.11
3	District Council of Karoonda East Murray	RAS	1,207.03
4	District Council of Kimba	RAS	1,056.76
5	Wudinna District Council	RAS	1,054.73
6	District Council of Franklin Harbour	RAS	849.35
7	District Council of Peterborough	RAS	837.96
8	District Council of Elliston	RAS	800.84
9	Yalata Anangu Aboriginal Corporation	RTX	788.58
10	The Flinders Ranges Council	RAS	767.92
11	District Council of Streaky Bay	RAM	721.52
12	District Council of Cleve	RAS	656.99
13	Outback Communities Authority	RTM	638.82
14	District Council of Mount Remarkable	RAM	617.49
15	District Council of Ceduna	RAM	608.42
16	Southern Mallee District Council	RAM	607.07
17	Regional Council of Goyder	RAM	598.76
18	Anangu Pitjantjatjara Inc	RTM	543.88
19	District Council of Coober Pedy	URS	518.50
20	Tatiara District Council	RAL	487.01
21	Coorong District Council	RAL	437.04
22	Nipapanha Community Aboriginal Corporation	RTX	431.77
23	Kangaroo Island Council	RAM	411.96
24	Mid Murray Council	RAL	400.80
25	Naracoorte Lucindale Council	RAL	343.45
26	District Council of Loxton Waikerie	RAV	333.95
27	Northern Areas Council	RAM	333.57
28	Wakefield Regional Council	RAL	313.32
29	Renmark Paringa Council	RAL	280.19
30	Wattle Range Council	RAV	272.51
31	Port Pirie Regional Council	RAV	258.51
32	Gerard Community Council Aboriginal Corporation	RTX	248.30
33	Berri Barmera Council	RAV	245.19
34	Corporation of the City of Port Augusta	URS	226.52
35	Corporation of the City of Whyalla	URS	222.44
36	District Council of Grant	RAL	206.73
37	District Council of Tumby Bay	RAM	174.66
38	Rural City of Murray Bridge	URS	168.46
39	Adelaide Plains Council	RAL	145.52
40	Kingston District Council	RAM	144.04
41	Copper Coast Council	RAV	134.05
42	City of Mount Gambier	URS	129.12
43	City of Playford	UFL	127.17
44	Clare & Gilbert Valleys Council	RAL	122.46
45	District Council of Lower Eyre Peninsula	RAL	112.81
46	City of Port Lincoln	URS	110.94
47	Municipal Council of Roxby Downs	URS	101.05
48	Yorke Peninsula Council	RAV	99.76
49	Barunga West Council	RAM	95.22
50	Town of Gawler	UFS	76.10
51	Light Regional Council	RAV	59.42
52	Alexandrina Council	UFS	57.43
53	City of Salisbury	UDV	53.98
54	The Barossa Council	UFS	52.34
55	District Council of Yankalilla	RSG	40.56
56	City of Onkaparinga	UFV	39.05
57	District Council of Mount Barker	URM	27.07
58	Adelaide Hills Council	UFM	24.02
58	City of Burnside	UDM	24.02
58	City of Charles Sturt	UDL	24.02
58	City of Holdfast Bay	UDM	24.02
58	City of Mitcham	UDM	24.02
58	City of Port Adelaide Enfield	UDV	24.02
58	City of Prospect	UDS	24.02
58	Corporation of the City of Tea Tree Gully	UDL	24.02
58	City of Victor Harbor	URS	24.02
58	City of West Torrens	UDM	24.02
58	Corporation of the City of Campbelltown	UDM	24.02
58	Corporation of the City of Marion	UDL	24.02
58	Corporation of the City of Norwood Payneham & St Peters	UDM	24.02
58	Corporation of the City of Unley	UDM	24.02
58	Corporation of the Town of Walkerville	UDS	24.02
58	District Council of Robe	RAS	24.02
58	The Corporation of the City of Adelaide	UCC	24.02

Table 60 2022–23 South Australian councils ranked by funding per km – local roads grant

The state average local road grant per km for South Australia in 2022–23 is **$637.89**.

Rank	Council name	Classification	$ per km
1	Municipal Council of Roxby Downs	URS	3,659.75
2	City of Playford	UFL	3,010.49
3	City of Prospect	UDS	2,904.28
4	Corporation of the City of Marion	UDL	2,824.93
5	Corporation of the City of Unley	UDM	2,811.66
6	Corporation of the City of Norwood Payneham & St Peters	UDM	2,758.48
7	Corporation of the Town of Walkerville	UDS	2,752.66
8	City of Holdfast Bay	UDM	2,691.82
9	City of Port Adelaide Enfield	UDV	2,660.11
10	The Corporation of the City of Adelaide	UCC	2,642.16
11	City of West Torrens	UDM	2,616.14
12	Corporation of the City of Campbelltown	UDM	2,599.21
13	City of Charles Sturt	UDL	2,587.29
14	City of Burnside	UDM	2,494.99
15	City of Onkaparinga	UFV	2,470.59
16	City of Salisbury	UDV	2,353.24
17	Corporation of the City of Tea Tree Gully	UDL	2,322.49
18	City of Mitcham	UDM	2,301.58
19	City of Mount Gambier	URS	2,164.37
20	Town of Gawler	UFS	1,973.59
21	City of Port Lincoln	URS	1,725.52
22	District Council of Franklin Harbour	RAS	1,698.24
23	Corporation of the City of Whyalla	URS	1,640.07
24	Coorong District Council	RAL	1,360.63
25	Kangaroo Island Council	RAM	1,316.19
26	District Council of Mount Barker	URM	986.95
27	City of Victor Harbor	URS	867.42
28	Light Regional Council	RAV	855.09
29	Yalata Anangu Aboriginal Corporation	RTX	850.03
30	Adelaide Hills Council	UFM	846.04
31	Corporation of the City of Port Augusta	URS	827.23
32	Rural City of Murray Bridge	URS	627.78
33	The Barossa Council	UFS	612.25
34	Renmark Paringa Council	RAL	577.16
35	Berri Barmera Council	RAV	562.38
36	Alexandrina Council	UFS	550.23
37	Copper Coast Council	RAV	456.15
38	District Council of Elliston	RAS	444.13
39	Kingston District Council	RAM	439.83
40	Port Pirie Regional Council	RAV	426.01
41	District Council of Loxton Waikerie	RAV	395.71
42	District Council of Lower Eyre Peninsula	RAL	390.79
43	District Council of Yankalilla	RSG	380.36
44	Southern Mallee District Council	RAM	376.03
45	Naracoorte Lucindale Council	RAL	371.47
46	Tatiara District Council	RAL	359.95
47	Adelaide Plains Council	RAL	343.15
48	District Council of Streaky Bay	RAM	334.92
49	Regional Council of Goyder	RAM	334.81
50	District Council of Karoonda East Murray	RAS	327.20
51	District Council of Ceduna	RAM	320.13
52	District Council of Cleve	RAS	318.91
53	District Council of Robe	RAS	311.49
54	District Council of Tumby Bay	RAM	299.69
55	The Flinders Ranges Council	RAS	297.16
56	Wudinna District Council	RAS	293.98
57	Wattle Range Council	RAV	276.06
58	District Council of Grant	RAL	269.15
59	Barunga West Council	RAM	268.39
60	Clare & Gilbert Valleys Council	RAL	265.60
61	Yorke Peninsula Council	RAV	260.55
62	District Council of Peterborough	RAS	247.25
63	Wakefield Regional Council	RAL	245.92
64	Mid Murray Council	RAL	242.09
65	Northern Areas Council	RAM	228.44
66	District Council of Mount Remarkable	RAM	222.78
67	District Council of Kimba	RAS	220.14
68	District Council of Orroroo Carrieton	RAS	195.67
69	District Council of Coober Pedy	URS	134.46
70	Anangu Pitjantjatjara Inc	RTM	59.32
71	Gerard Community Council Aboriginal Corporation	RTX	–
71	Maralinga Tjarutja	RTX	–
71	Nipapanha Community Aboriginal Corporation	RTX	–
71	Outback Communities Authority	RTM	–

Table 61 2022–23 Tasmanian councils ranked by funding per capita – general purpose grant

The state average general purpose grant per capita for Tasmania in 2022–23 is **$77.56.**

Rank	Council name	Classification	$ per capita
1	Flinders Council	RAS	854.96
2	King Island Council	RAS	536.25
3	Central Highlands Council	RAM	420.63
4	West Coast Council	RAM	357.81
5	Southern Midlands Council	RAL	291.89
6	Kentish Council	RAL	237.74
7	Dorset Council	RAL	229.10
8	Tasman Council	RAM	225.85
9	Break O'Day Council	RAL	216.33
10	George Town Council	RAL	192.13
11	Circular Head Council	RAL	183.67
12	Derwent Valley Council	RAV	135.74
13	Waratah/Wynyard Council	RAV	131.96
14	Central Coast Council	URS	124.27
15	Huon Valley Council	RAV	118.23
16	Meander Valley Council	RAV	115.76
17	West Tamar Council	UFS	101.30
18	Latrobe Council	RAV	99.48
19	Northern Midlands Council	RAV	97.83
20	Burnie City Council	URS	88.15
21	Sorell Council	RAV	83.57
22	Brighton Council	UFS	82.29
23	Devonport City Council	URS	64.58
24	Glamorgan Spring Bay Council	RAM	30.27
25	Hobart City Council	UCC	23.61
26	Clarence City Council	UFM	23.27
26	Glenorchy City Council	UFM	23.27
26	Kingborough Council	UFM	23.27
26	Launceston City Council	URM	23.27

Table 62 2022–23 Tasmanian councils ranked by funding per km – local roads grant

The state average local road grant per km for Tasmania in 2022–23 is **$3,383.83**.

Rank	Council name	Classification	$ per km
1	Hobart City Council	UCC	6,207.85
2	Glenorchy City Council	UFM	5,392.96
3	Devonport City Council	URS	5,201.71
4	West Coast Council	RAM	4,638.92
5	Launceston City Council	URM	4,606.40
6	Clarence City Council	UFM	4,220.18
7	Burnie City Council	URS	4,161.86
8	Brighton Council	UFS	3,897.28
9	George Town Council	RAL	3,702.31
10	Central Coast Council	URS	3,468.38
11	Sorell Council	RAV	3,412.91
12	Break O'Day Council	RAL	3,401.06
13	Kingborough Council	UFM	3,357.22
14	West Tamar Council	UFS	3,347.47
15	Derwent Valley Council	RAV	3,325.76
16	Tasman Council	RAM	3,228.49
17	Latrobe Council	RAV	3,223.88
18	Glamorgan Spring Bay Council	RAM	3,194.77
19	Dorset Council	RAL	3,192.47
20	Waratah/Wynyard Council	RAV	3,147.30
21	Meander Valley Council	RAV	3,112.19
22	Circular Head Council	RAL	3,091.72
23	Northern Midlands Council	RAV	2,950.35
24	Kentish Council	RAL	2,949.21
25	King Island Council	RAS	2,797.44
26	Huon Valley Council	RAV	2,737.55
27	Flinders Council	RAS	2,573.40
28	Southern Midlands Council	RAL	2,398.88
29	Central Highlands Council	RAM	2,346.93

Table 63 2022–23 Northern Territory councils ranked by funding per capita – general purpose grant

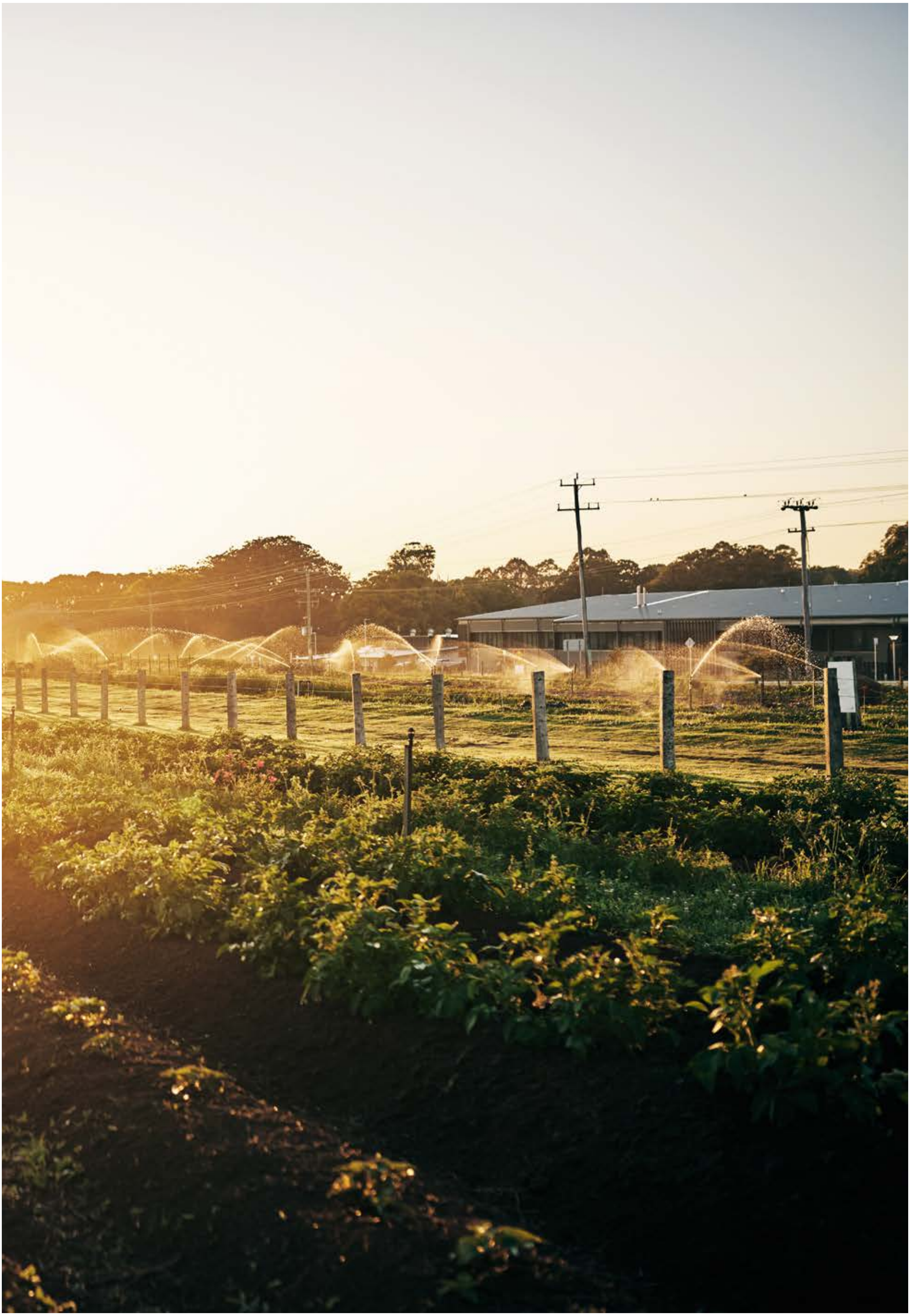
The state average general purpose grant per capita for Northern Territory in 2022–23 is **$81.29**.

Rank	Council name	Classification	$ per capita
1	East Arnhem Regional Council	RTL	365.49
2	MacDonnell Regional Council	RTL	323.01
3	Roper Gulf Regional Council	RTL	299.81
4	Central Desert Regional Council	RTL	278.11
5	Barkly Regional Council	RTL	259.55
6	West Arnhem Regional Council	RTL	204.22
7	West Daly Regional Council	RTL	186.18
8	Victoria Daly Regional Council	RTL	164.61
9	Tiwi Islands Regional Council	RTM	152.70
10	Belyuen Community Government Council	RTX	151.53
11	Katherine Town Council	URS	52.29
12	Wagait Shire Council	RTS	32.74
13	Litchfield Council	UFS	26.73
14	City of Palmerston	URM	26.06
15	Alice Springs Town Council	URS	24.51
16	City of Darwin	UCC	24.39
16	Coomalie Community Government Council	RTM	24.39
17	Local Government Association of the Northern Territory Inc	N/A	–

Table 64 2022–23 Northern Territory councils ranked by funding per km – local roads grant

The state average local road grant per km for the Northern Territory in 2022–23 is **$1,616.89.**

Rank	Council name	Classification	$ per km
1	Alice Springs Town Council	URS	4,530.48
2	Litchfield Council	UFS	4,168.28
3	Katherine Town Council	URS	4,126.19
4	City of Darwin	UCC	4,069.77
5	Wagait Shire Council	RTS	3,794.29
6	City of Palmerston	URM	3,620.22
7	Coomalie Community Government Council	RTM	2,980.94
8	Victoria Daly Regional Council	RTL	2,438.42
9	East Arnhem Regional Council	RTL	1,512.06
10	Tiwi Islands Regional Council	RTM	1,347.26
11	Roper Gulf Regional Council	RTL	1,345.01
12	West Daly Regional Council	RTL	1,322.28
13	Barkly Regional Council	RTL	1,191.37
14	West Arnhem Regional Council	RTL	1,151.31
15	Local Government Association of the Northern Territory Inc	N/A	997.24
16	MacDonnell Regional Council	RTL	764.61
17	Central Desert Regional Council	RTL	759.85
18	Belyuen Community Government Council	RTX	458.27



Appendix F
Australian Classification of Local Governments

The Australian Classification of Local Governments (ACLG) was first published in September 1994. The ACLG categorises local governing bodies across Australia using the population, the population density and the proportion of the population that is classified as urban, for each council.

The local governing bodies included in the classification system are those that receive funding under the Financial Assistance Grant program as defined under the Act. Therefore, bodies, declared, by the Australian Government Minister responsible for local government (the Federal Minister), on the advice of the state minister, to be local governing bodies for the purposes of the Act, are included in the ACLG.

The classification system generally involves three steps. Each step allocates a prefix formed from letters of the alphabet to develop a three-letter identifier for each class of local government. There are a total of 22 categories. For example, a medium-sized council in a rural, agricultural area would be classified as RAM – rural, agricultural, medium. If it were remote, however, it would be classified as RTM – rural, remote, medium. Table 65 provides information on the structure of the classification system.

Notwithstanding the capacity of the ACLG system to group like councils, it should be noted that there remains considerable scope for divergence within these categories, and for this reason the figures in Appendix D should be taken as a starting point for enquiring into grant outcomes. This divergence can occur because of factors including isolation, population distribution, local economic performance, daily or seasonal population changes, the age profile of the population and geographic differences. The allocation of the general purpose grant between states on an equal per capita basis and the local road grant on a fixed shares basis can also cause divergence.

To ensure the ACLG is kept up-to-date, Local Government Grants Commissions advise of any changes to the actual location of councils, within the ACLG, in their state at the end of each financial year.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is planning to phase out the ACLG framework and replace it with the Australian Statistical Geography Standard's (ASGS') remoteness classifications, produced by the Australian Bureau of Statistics. If you have any questions or accessibility issues for Table 65 please email local.government@infrastructure.gov.au.

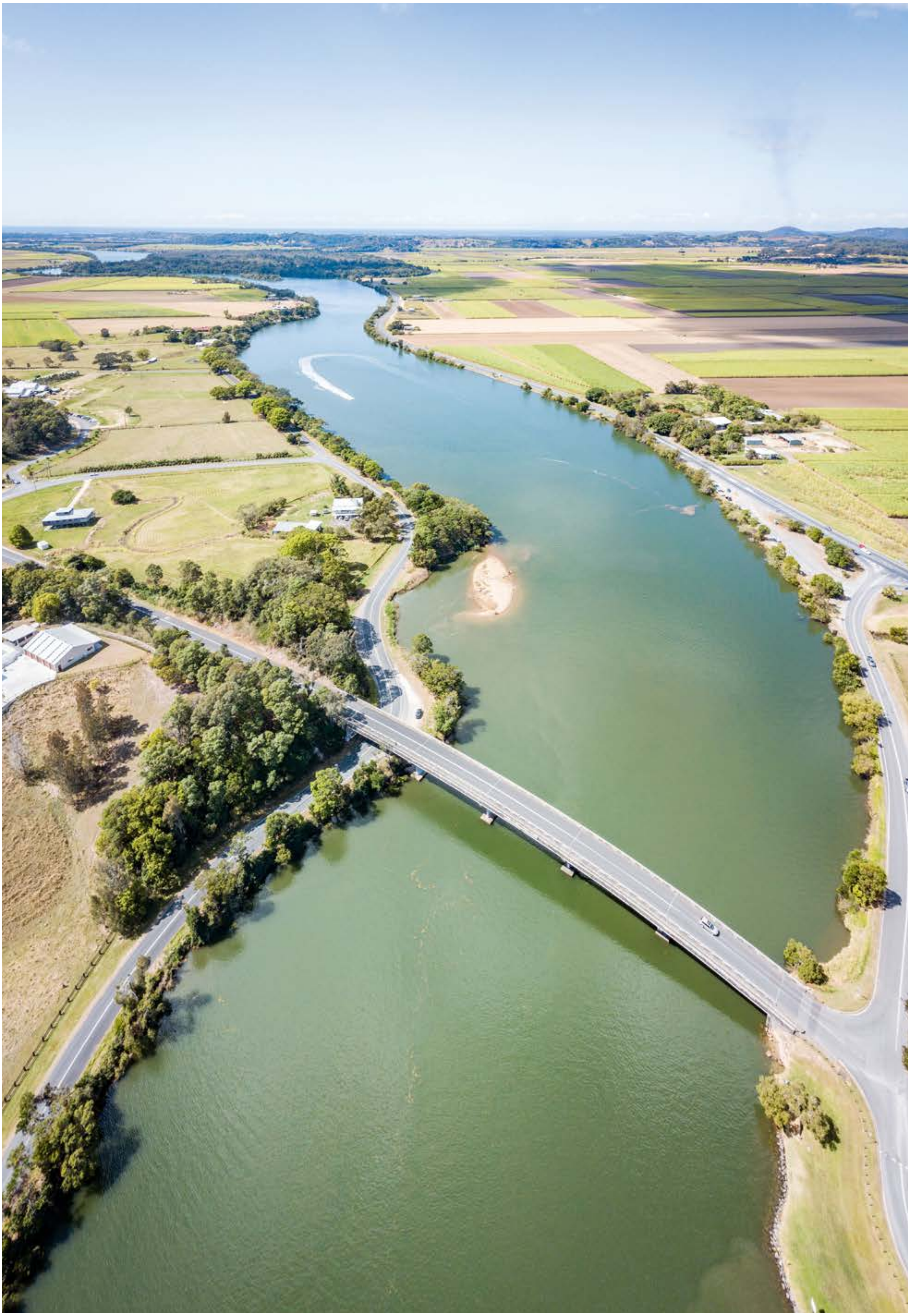
Table 65 Structure of the classification system

Step 1	***Step 2***	***Step 3***	***Identifiers***	***Category***
URBAN (U)				
Population more than 20,000 OR if population less than 20,000 EITHER population density more than 30 persons per square kilometre OR 90 per cent or more of the local governing body population is urban.	CAPITAL CITY (CC)	Not applicable		UCC
	METROPOLITAN DEVELOPED (D) Part of an urban centre of more than 1,000,000 or population density more than 600 per square kilometre	SMALL (S)	up to 30,000	UDS
		MEDIUM (M)	30,001 to 70,000	UDM
		LARGE (L)	70,001 to 120,000	UDL
		VERY LARGE (V)	more than 120,000	UDV
	REGIONAL TOWNS/CITY (R) Part of an urban centre with population less than 1,000,000 and predominantly urban in nature	SMALL (S)	up to 30,000	URS
		MEDIUM (M)	30,001 to 70,000	URM
		LARGE (L)	70,001 to 120,000	URL
		VERY LARGE (V)	more than 120,000	URV
	FRINGE (F) A developing LGA on the margin of a developed or regional urban centre	SMALL (S)	up to 30,000	UFS
		MEDIUM (M)	30,001 to 70,000	UFM
		LARGE (L)	70,001 to 120,000	UFL
		VERY LARGE (V)	more than 120,000	UFV
RURAL (R)				
A local governing body with population less than 20,000 AND population density less than 30 persons per square kilometre AND less than 90 per cent of local governing body is urban.	SIGNIFICANT GROWTH (SG) Average annual population growth more than 3 per cent, population more than 5,000 and not remote	Not applicable		RSG
	AGRICULTURAL (A)	SMALL (S)	up to 2,000	RAS
		MEDIUM (M)	2,001 to 5,000	RAM
		LARGE (L)	5,001 to 10,000	RAL
		VERY LARGE (V)	10,001 to 20,000	RAV
	REMOTE (T)	EXTRA SMALL (X)	up to 400	RTX
		SMALL (S)	401 to 1,000	RTS
		MEDIUM (M)	1,001 to 3,000	RTM
		LARGE (L)	3,001 to 20,000	RTL

Table 66 Categories of local governments by state at July 2022

ACLG categories	NSW	Vic	Qld	WA	SA	Tas	NT*	Australia
Urban Capital City (UCC)	1	1	1	1	1	1	1	7
Urban Developed Small (UDS)	1	0	0	10	2	0	0	13
Urban Developed Medium (UDM)	5	0	0	5	7	0	0	17
Urban Developed Large (UDL)	3	7	0	3	3	0	0	16
Urban Developed Very Large (UDV)	14	15	0	3	2	0	0	34
Urban Regional Small (URS)	8	5	5	3	8	4	2	35
Urban Regional Medium (URM)	18	11	8	5	1	2	0	45
Urban Regional Large (URL)	8	3	4	0	0	0	0	15
Urban Regional Very Large (URV)	3	1	9	0	0	0	0	13
Urban Fringe Small (UFS)	0	1	1	1	3	1	1	8
Urban Fringe Medium (UFM)	2	3	2	4	1	2	0	14
Urban Fringe Large (UFL)	2	1	0	1	1	0	0	5
Urban Fringe Very Large (UFV)	5	6	0	3	1	0	0	15
Rural Significant Growth (RSG)	0	0	0	1	0	0	0	1
Rural Agricultural Small (RAS)	2	0	0	51	10	1	0	64
Rural Agricultural Medium (RAM)	13	1	1	10	10	4	0	39
Rural Agricultural Large (RAL)	22	7	0	9	11	6	0	55
Rural Agricultural Very Large (RAV)	19	17	8	4	7	7	1	63
Rural Remote Extra Small (RTX)	3	0	7	5	4	0	2	21
Rural Remote Small (RTS)	0	0	10	5	0	1	1	17
Rural Remote Medium (RTM)	1	0	13	5	2	0	2	23
Rural Remote Large (RTL)	1	0	8	8	0	0	7	24
Total	**131**	**79**	**77**	**137**	**74**	**29**	**17**	**544**

Notes: * NT total excludes Road Trust Account



Alphabetical index

A

B

C

D

E

F

G

H

I

J

K

L

M

N

O

P

Q

R

S

T

V

W

Y

Z

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